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South and East Asia Report

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PACIFIC ISLAND COUNTRIES CAUTIOUS ON NATIONAL DEVELOPMENT

Kuala Lumpur BUSINESS TIMES in English 31 Mar 81 p 6

[Article by John Laird in Bangkok]

[Text] ISLAND nations of the Pacific Ocean, drawn closer together by the challenges of modernisation, are turning toward Asia for development models.

While Pacific island leaders remain conscious of what they call their unique, unassuming "Pacific way," recent international developments have brought a new sense of purpose and articulation on their part.

These are impressions gained from interviews at the recent 37th session of the Economic and Social Commission for Asia and the Pacific (Escap), which brings together 40 or more states each year.

The Pacific contains hundreds of inhabited islands scattered across 30 million square kilometres (11.6 million square miles) of ocean, and is home to some 4.5 million people.

The largest nation-group is Papua New Guinea with 2.8 million people over 462,000 square kilometres (178,000 square miles), while six tiny nations with exotic-sounding names have less than 1,000 square kilometres (386 square miles) each: Kiribati, Tonga, the Cook Islands, Niue, Tuvalu and Nauru.

Ten island nations and two territories are members of Escap.

The growing sense of pride among the Pacific nations, many of them newly independent, was expressed to the UN body by Solomon Island delegate Francis Bugotu. "Pacific islanders want to be understood and respected by other nations for what they are, and not what others think they ought to be," he said.

"Pacific islanders have lived in isolation for many years," said Paul Lotutu, a Western Samoan who is Escap's liaison officer-designate for the Pacific region. "They were too proud to ask for anything. For many years aid donors could not find out what they wanted. Islanders now realise that they must speak out more vociferously."

The nature of islanders is to quietly state their case and rely on the goodwill of others, he added. "They are people who don't want to embarrass anyone. Even if they disagree, they will be polite."

Tonga's Finance Minister, Mahe 'Uli 'Uli Tupouniua, who was elected chairman of Escap's session, said that the Pacific people feel no anxiety about development. As he expressed the feeling among islanders: "Life surely cannot be measured only in terms of economic development, but must be assessed in terms of the quality of life."

Mr Tupouniua said, however, that islanders have seen things in Asia they would like to copy.

"South-East Asian countries are very adaptable; their people have a tremendous capacity for hard work, and their capacity to absorb sophisticated technology is very high," he said.

Pacific states also need industry, particularly labour intensive, he added. "It would pay us to learn the kind of skills that South-East Asia is good at, and import new industry from South-East Asia rather than from Europe or America."

Common approaches are evolving in the region, said Dr Gabriel Gris, a Papua-New Guinean who is head of the South Pacific Bureau for Economic Cooperation, based in Fiji.

Pacific states have long been dominated by colonial powers, so that newly independent states are wary about giving up sovereignty towards a common approach, he points out.

"Shortly after political independence, the new governments were busy at home, but after a few years, it was apparent that national goals could be attained by linkages outside with friendly countries," he added.

It is in attitudes towards the region's major resource — the sea — that this linkage is having the most dynamic effect. The new law of the sea regime, now under final negotiation in New York, will provide huge and exclusive economic zones for tiny Pacific countries.

The islands typically lack the resources to exploit them, or even to enter into negotiations with a more developed partner.

They have appealed to UN bodies for help in developing negotiating techniques for key agreements that must be made in the future. The superpowers, eyeing potential undersea riches, have already made overtures to island governments.

Energy has been another focal point — the great majority of island nations have to import costly oil products for all their power generating needs, a drain on development. Pacific regional forums are also discussing common approaches to transport, communications, tourism, trade and agriculture.

Even so, island countries — which already enjoy stable and relatively crime-free social systems — put a premium on slow change.

This is an outstanding feature of island life, in contrast to the felt need for rapid change in Asian societies, says Mr Tupouniua.

"Our communal style of life provides for care of children and old people within the social structure and eliminates the need for orphanages and old people's homes. We have a kind of welfare system within the social fabric itself, which eliminates the need for social welfare institutions — you won't find them."

He believes that this balance must be carefully weighed against potentially destabilising effects of imported modern technology. — AP

CSO: 4220

SUPERSTITION A FACTOR IN ASIAN POLITICS

Kuala Lumpur BUSINESS TIMES in English 23 Mar 81 p 19

[Excerpts]

MODERNISATION often strips society of superstitions, mystic rituals and practices whose origins are lost in the mists of time. But In Asia, modernisation or not, mysticism and superstitions are parts of everyday life.

Former Prime Minister Kukrit Pramoj, educated in England, believes that he will become prime minister of Thailand again because his horoscope says so. At present, he is head of the Social Action Party, which was a major partner in Prime Minister Prem Tinsulanonda's first coalition government. Mr Kukrit hopes that when a general election is held in 1983, his party will win the election.

Thailand's last civilian Prime Minister, Tanin Kraivixien, is an England-trained lawyer who is also an amateur astrologer. Before assuming the premiership in 1976, Mr Tanin was said to have known in advance that he would become a prime minister.

He was reported to have studied the stars and discovered that the best prime minister for Thailand must always be a person in uniform. After becoming prime minister, Mr Tanin always wore a military uniform and ordered all government officials to wear uniforms.

Reliable newspaper reports said that when Mrs Gandhi was sworn in again as Prime Minister last year, she shifted the day and hour of the ceremony.

This was done reportedly to satisfy her associates who were advised by astrologers that it be shifted to a more auspicious time.

Among Mrs Gandhi's senior ministers was the highly respected minister for railways, Pandit Kamlapti Tripathi — a high-caste Brahmin from India's holiest Hindu city, Varanasi. Reporters alleged that Mr Tripath used to advise Mrs Gandhi and her family on religious matters.

But he recently lost his job as railways minister. Newspaper reports suggest that Mr Tripathi was asked by Mrs Gandhi's family to hold a certain ritual in Varanasi. This consisted of bathing the idol of Lord Shiva in a well-known temple with 1,814 kilogrammes to pure cow's milk daily for a certain number of days.

It seems that the ceremony was not carried out according to the strict instructions of the astrologers. The milk curdled, indicating that Mr Tripathi apparently failed to do the job correctly. He was allegedly fired by Mrs Gandhi because of this, for when milk curdles, it is a sign of bad luck.

But some officials insist that the railways minister did not lose his job because of the milk curdling story. They said there are other reasons, such as the incapacity of the railway system to carry the goods required to keep the wheels of Indian industry turning.

The late Indonesian President Sukarno was very proud of the fact that he was born at dawn, a Javanese sign that such a person will always be loved. He was also a firm believer in numerology or numbers. His birthdate was a double six, June 6.

This kind of symbolism has also found its way into the Indonesian government. When the National Planning Council unveiled the eight-year economic development plant in 1980, the people noted with satisfaction that it was contained in 17 volumes with 1,945 paragraphs — 17, 8 and 45 being lucky number to them.

It is perhaps no coincidence that the country is divided into 17 military regions and that President Suharto's Cabinet consists of 17 full ministers.

Palace insiders say that President Suharto likes to make important decisions on Wednesdays and Thursdays, which are considered lucky days. Like any other Javanese, he considers Saturdays unlucky. He reserves that day to receive the credentials of new ambassadors.

The belief in number is also strong in Philippine President Ferdinand E. Marcos. He considers 7 as a lucky number — just as many Filipinos do. His official boat is called RP8 777 (Ang Pangulo or the Leader), which often cruises for seven hours.

If one were to consider the revolutionary era president, Gen. Emilio Aguinaldo, President Marcos would be the country's seventh president.

His wife, Imelda Marcos, considers 11 her ace. After all, she married a man born on Sept. 11, 1917.

Both are said to have consulted faith healers for one ailment or another, although the president's younger brother is a well-known doctor.

CSO: 4220

ACTING CHIEF OF AWAMI LEAGUE RESIGNS POST

Dacca THE BANGLADESH TIMES in English 16 Mar 81 pp 1,8

[Text] Syeda Zohra Tajuddin, a member of the Presidium of Bangladesh Awami League (Hasina) returned to Dacca from New Delhi via Calcutta on Saturday evening.

Mrs Tajuddin went to New Delhi on February 24 along with the members of AL Presidium and Secretariat to hold their first meeting with Sheikh Hasina Wazed who was elected party President in absentia. However she stayed back in India. Other AL leaders of the Presidium returned in two batches on March [as published]

Mrs Tajuddin told the TIMES on Sunday that she did not meet any Indian official including Mr Pranab Mukherjee, the Indian Commerce Minister. She said the story in the STATESMAN of Delhi was untrue.

"We know who are doing all these things about our stay in New Delhi," she said.

Asked why she stayed back in the Indian capital, Mrs Tajuddin said that she went to Ajmeer Sharif. "It was my first visit to the Indian capital, Ajmeer and Calcutta since independence," she said.

She said that she stayed with Mrs Hasina Wazed during her visit to New Delhi. She however, failed to answer when Mrs Hasina was returning from India where she had been staying on political asylum since 1975.

SCI Guest House

According to a local weekly BICHITRA which sent its correspondent to report on the activities of AL leaders in the Indian capital, the airport custom formalities at Palam were waived for the AL leaders. They had been whisked away from the Delhi airport to shield them from the waiting Indian newsmen at the airport when they reached there from Dacca on February 24.

Barring the ladies all AL leaders stayed at the "Guest House of the Steel Corporation of India at Defence Colony which is known in Delhi as the house of the 'RAW,' the Indian intelligence agency" the BICHITRA report said.

Arun Sengupta, Bijoy Dhar

The weekly report said that "among the AL leaders Dr Kamal Hossain had a meeting with Mrs Indira Gandhi, Prime Minister of India on February 27," the day he returned to Dacca leaving behind his colleagues in Delhi. The story sourced a highly connected Indian journalist in Delhi. However, the report said according to some others, Dr Kamal Hossain could only meet Mr Arun Sengupta the Economic Adviser of Mrs Gandhi, Mr Abdul Malek Ukil, former party chief met with Mr Bijoy Dhar, son of late D P Dhar and an adviser to Mrs Gandhi's late son Sanjay Gandhi.

The AL leaders also met with Messrs Kader Siddiky, and Chittaranjan Sujar, who were staying in New Delhi for the last three months. The AL leaders on their return to Dacca denied that they had any meeting with these persons staying in India on political asylum.

Malek Resigns

Mr Abdul Malek Ukil tended his resignation as Acting President of the party on Saturday, after his return from Delhi.

Mr Ukil had sought and got the approval of the AL council session to remain as Acting President of the AL till the return of Mrs Hasina Sheikh. Mr Ukil told the councillors on late February 16 night at the concluding session of the council that if they did not accept him as Acting President he would resign from the Presidium and remain as a 'two anna member of the party.'

A senior AL leader belonging to the faction opposed to Mr Abdul Malek Ukil told the TIMES on Sunday that Mr Malek Ukil could not remain as Acting President under the amendments introduced at party council providing for a Presidium. The leader said that until the party president returned the meetings of the Presidium would be presided by its members on rotation. The first meeting of the AL Presidium was presided over by Mr Ukil and the second by Mr Korban Ali when the question of his remaining as Acting President was challenged.

CSO: 4220

BNP LEADER ADVOCATES 'RESPONSIBLE OPPOSITION'

Dacca THE BANGLADESH TIMES in English 1 Mar 81 p 1

[Text] Tongi (Dacca), Feb 28: Prof A Q M Badruddoza Choudhury, Secretary General of Bangladesh Nationalist Party (BNP) [as published] has said that the biggest achievement of his party's government was the decentralisation of administration and transfer of power and responsibilities to the village representatives in phases, reports BSS.

Addressing the biennial conference of the Tongi Pouroshova Branch of the party at a local cinema here on Thursday he said that the government administration would work in aid of the rural people as their assistant and not as their masters.

Prof Choudhury said that the BNP would secure independence individual identity and sovereignty of Bangladesh the BNP, he said would consolidate solidarity necessary for success of the revolution and uphold the inspiration of democracy. The BNP leader observed that character of the political workers had to be built up under political leadership for which he stressed the need for cadre-based training. Moreover, Prof Choudhury said the ideals and programmes of the party be practised with devotion.

Prof Choudhury said that a responsible and strong opposition was essential in a democracy. Those who were in power in the past had collapsed because they forgot this basic principle. Political problems had to be solved politically, he added.

CSO: 4220

PRESIDENT SPEAKS ON OBJECTIVES OF GRAM SARKAR

Dacca THE BANGLADESH TIMES in English 7 Mar 81 pp 1,8

[Text] President Ziaur Rahman said on Friday that Swanirvar Gram Sarkar was a socio-economic organisation which should not be used politically.

Speaking at the second day sitting of special conference of chiefs and women members of Gram Sarkar at Shilpakala Academy on Friday morning, President Zia asked the members of the Gram Sarkars to provide leadership at grassroot level with honesty and dedication.

It was an extroardinary speech in terms of both style of delivery and its content. In an informal tone befitting to a family gathering the President explained the concept of Gram Sarkar, its necessity for the socio-economic development of the country and task ahead to achieve the objectives. "Had there been Gram Sarkar hundred years ago, Bangladesh would have achieved independence long long before," he stressed.

President Zia said that Gram Sarkar should be allowed to grow naturally without any outside influence. In order to keep the organisation free from politics "I have asked my party BNP not to interfere and requested other parties to do the same," he said.

Underscoring the importance of Gram Sarkar, the President said "after independence of Bangladesh if there is any good work done, it is the Swarnirvar Gram Sarkar. It is the best, he told his audience that "Gram Sarkars have been organised not to please you, but to mobilise the power, lying hidden and idle amongst the people."

President Zia said "village is not the lowest level as it is commonly called. It is the foundation level." As such, like a building if foundation was not made strong, no system could survive. Ninety per cent of our people live in villages so improvement "of villages means improvement of the whole country," he said.

President Zia stressed the need for developing a system instead of depending on individuals. The whole thing must not be viewed from personal angle. Because no individual is permanent. I may be President today but I will not remain President forever. The President asked the members of Swarnirvar Gram Sarkars to investigage against those people who were critical about this system. He said that those who were critical must have realised that their days of exploitation had ended.

Dogs Keep on Barking

Quoting the English saying "the dogs keep on barking, the caravan moves on," the President said we must also move on despite criticism.

Referring to his recent visit to war-devastated Iran and Iraq, President Zia said war could never solve any problem rather "it makes problem more complex and creates new problems." The ordinary people had never wanted war because they were always the sufferers. But so many things were being done in the name of ordinary people without even taking their opinion. If the people were organised no one would be able to deceive or oppress them.

President Zia said that with the objective of organising the people to give back their power and save them from exploitation and oppression, he promised to organise Gram Sarkar during elections of 1978.

The President said "we need such organisation badly because our society is not good. It is a society of exploitation." To save the people from age old exploitation and to build an exploitation free prosperous society it was decided to organise the people through Gram Sarkar. They were elected in a most free and fair elections.

President reiterated that in order to make Bangladesh strong, people must be given power through organisation. Swanirvar Gram Sarkar was the answer, he said.

Right Step

The President said that initially there could be some mistakes but creation of Swanirvar Gram Sarkar was a step in right direction "without it Bangladesh cannot be developed."

President Zia said that we must start organising the people through Gram Sarkar to end exploitation and develop the rural areas to improve the quality of life." Exploitation and oppression was possible because the people were not organised," he said.

The President said all the people, including President, Vice-President, Prime Minister and Ministers were to be answerable to the Gram Sarkar. "I shall go personally to my own village to face my Gram Sarkar," he said.

President Zia told the members of the Gram Sarkar "you are going to establish such an example that leaders and experts from abroad will come to see it."

The President urged the people to work more to produce more with a view to increase national income.

Referring to the strike by primary teachers the President said that the problem was being given political colour and opportunists were exploiting the teachers.

President Zia asked the members of Swanirvar Gram Sarkar to discuss with primary teachers of their respective areas and arrange reopening of all schools.

The President also informed the Gram Sarkar that gradually all the villages would be provided with TVs.

Earlier Mr Abdul Halim Choudhury, Minister for Local Government, Rural Development and Cooperatives briefing the President on the discussion on the first day of the conference said that if the primary teachers failed to join after a specified date, members of the Swanirvar Gram Sarkar had proposed to run all primary schools on voluntary basis.

He also disclosed that from next year agricultural loans would be distributed without any security and only on recommendation by Gram Sarkar.

Mr Abdul Halim Choudhury said that a 25-member committee had been formed to formulate draft code of conduct and rules for Gram Sarkar.

CSO: 4220

OFFICIAL CLAIMS HASINA TRYING POWER GRAB

Dacca THE BANGLADESH TIMES in English 15 Mar 81 p 1

[Text] Narayanganj, March 14: Mr Zafar Imam, Deputy Minister for Relief and Rehabilitation, said here today that the recent statement of Sheikh Hasina Wazed had unmasked the political strategy of Awami-BKSALites to grab power with the help of their foreign masters, reports BSS.

Addressing a conference of BIWTC Sailors and Employees Union here at Ghat No 5 the Deputy Minister assured the audience that the workers of Bangladesh Nationalist Party and the patriotic forces would foil any attempt of the conspirators to undermine the freedom and sovereignty of the country.

Mr Imam cautioned that the forces inimical to independence and sovereignty were trying to disrupt the programmes of Bangladesh Nationalist Party to cripple the economy of the country.

He urged the party workers to thwart the evil design of these forces and help establish an exploitation-free society in the country.

Presided over by Alhaj Jalal Uddin Ahmed, MP the conference was addressed among others by Mr Iskandar Ali, President of Bangladesh Jatiyatabadi Sramik Dal.

CSO: 4220

AWAMI LEAGUE LEADERS RETURN FROM VISIT TO HASINA

Dacca THE BANGLADESH OBSERVER in English 4 Mar 81 pp 1,12

[Text] The Awami League (Hasina) leaders who went to Delhi to meet Sheikh Hasina the newly elected party chairman returned to Dacca in two batches on Tuesday. The Acting Chairman of the Awami League Presidium Mr Abdul Malek Ukil and another presidium member Mr Abdul Mannan came from Calcutta. The two AL leaders went to the West Bengal capital from New Delhi on Monday.

Another group of Awami League leaders party General Secretary Mr Abdur Razzak members of the secretariat Mr Tofael Ahmed Mrs Sajeda Chowdhury Mrs Ivy Rahman came direct from New Delhi. Mr Anwar Chowdhury a former Office Secretary of the party also accompanied the leaders from Delhi though he was not a member of the delegation.

Mr Mohiuddin Ahmed and Syed Zohra Tajuddin--two other members of the presidium stayed back in New Delhi.

Talking to newsmen at the Kurmitola International Airport Mr Abdul Malek Ukil said that Sheikh Hasina would herself announce the date of her return.

Mr Malek Ukil said that 'Sheikh Hasina is a hundred per cent Bangladeshi.' He said that the members of the party presidium and secretariat moved to Delhi where Sheikh Hasina is on political asylum to apprise her of the party council decisions and also the party organisational and constitutional matters.

Replying to a question Mr Malek said that they had no meeting with Indian leaders. He said "we went to meet our party Chairman exclusively."

Mr Malek ruled out the possibility of any interference by the Indian Government on Sheikh Hasina's return to Bangladesh. He said that she was free to return. Mere formalities would be required for her return he said replying to a question.

He said that Dr Wazed the nuclear physicist husband of Sheikh Hasina would not interfere in her decisions. Dr Wazed is a "very important figure in India. He has earned much fame in his field there" he said.

Mr Malek said "we have formally handed over the charge of the party chairmanship to Sheikh Hasina. He had meetings with her at her residence he said.

Mr Abdur Razzak said "Sheikh Hasina has heartily accepted the decisions of the party council meetings." He said replying to a question of news men "I don't think her staying in India on asylum will create any problem for her return to the country."

Mr Tofael Ahmed said that she is holding a Bangladeshi passport and she is planning to return soon.

Mr Abdur Razzak said "we have requested Sheikh Hasina on behalf of the people and party to return to the country." Mr Razzak who stayed in Lodhi Hotel in New Delhi said that the party leaders stayed separately in different places.

Mr Tofael Ahmed said that it was "absolutely false that they met Indian leaders during their stay there."

Mr Malek said that they did not even have chance of meeting with Chittaranjan Sutar a former MP, Mr Kader Siddiqui and Mr Manabendra Narayan Larma. He said that the return of Sheikh Hasina would not require any concurrence of Indian Government. When asked where the AL leaders stayed in Delhi he said some stayed at the residence of Sheikh Hasina and some stayed in hotels.

Mr Razzak said that Syeda Zohra Tajuddin and Mr Mohiuddin have gone to Ajmeer.

A group of party workers and leaders were at the airport to receive the leaders.

Later in a telephonic interview Mr Malek told OBSERVER that three probable dates for Hasina's home-coming came up for consideration in their meeting in New Delhi. The dates are March 7, March 17 and March 25. He said details were now being worked out in Delhi Hasina who has been living in Delhi for some years would have to wind up her house in Delhi where her husband Mr Wazed is at the moment awaiting a doctorate degree. Physist [as published] Mr Wazed has submitted a six-hundred page thesis and very hopeful of getting recognition of his valuable work Mr Malek said.

The two children of Hasina--Joy and Putul--are also in school in Delhi. Mr Malek was not sure whether Hasina Sheikh would go to London prior to her proposed return to Bangladesh.

CSO: 4220

MUSLIM LEAGUE HEAD CONCERNED OVER HASINA REMARKS

Dacca THE BANGLADESH TIMES in English 8 Mar 81 p 3

[Text] Khan A. Sabur President Bangladesh Muslim League (Sabur) on Friday expressed his concern over the recent statement of Sheikh Hasina, President Bangladesh Awami League who is now living in India.

Terming the statement as irresponsible he said that the patriotic people of the country viewed the indication given by Sheikh Hasina that "it necessary she would seek help from Indian Government to fight against the present Bangladesh Government" as an unholy sign indicating that she was again going to sell out the independence of Bangladesh to India.

Khan A. Sabur said that nobody expected such an irresponsible statement from the President of a party like Awami League which was an organisation with a tradition.

He said that seeking of help from a big neighbour to uproot a legitimate government of an independent and sovereign country was contrary to any international law.

Khan A. Sabur said that Sheikh Hasina had lost her parents and other relatives through a painful political tragedy. Being in a state of deep shock, what she said was full of unreasonable emotion instead of political maturity and patriotism. Such statements would give rise to reaction even among patriotic Awami Leaguers he said.

He urged Sheikh Hasina to withdraw the statement keeping in mind the independence of the country and the welfare of the people.

CSO: 4220

STRANDED PAKISTANIS SEEK CITIZENSHIP COMMISSION

Dacca THE BANGLADESH TIMES in English 15 Mar 81 p 12

[Text] The Stranded Pakistanis General Repatriation Committee (SPGRC) has called for setting up of a three-member Joint Commission comprising three judges of Supreme Court or High Courts one each from India, Pakistan and Bangladesh to decide the question of citizenship of the three hundred thousand stranded Pakistanis in Bangladesh.

In a statement to the Press on Saturday, Mr M. Nasim Khan, Chief Patro of SPGRC Dacca said "as far as we are concerned the three hundred thousand Pakistani Muslims stranded in Bangladesh are basically, technically, legally and fundamentally Pakistanis."

He referred to the Simla Pact (1972) the tripartite Delhi agreements of 1972, 1974 and the tripartite partition agreement of 1947 in this regard.

Mr Nasim Khan refuted the recent contention of the Pakistani Ambassador to New Delhi that "the three hundred thousand Pakistanis stranded in Bangladesh were not legally Pakistanis."

CSO: 4220

REPORT ON BANGLADESH-TURKISH 11 MARCH COMMUNIQUE

Dacca THE BANGLADESH OBSERVER in English 12 Mar 81 p 1

[Text] Bangladesh and Turkey have agreed to explore possibilities of joint ventures in various sectors according to a joint communique issued in Dacca on Wednesday, reports BSS.

The joint communique, issued at the end of the four-day visit to Bangladesh of Turkish Foreign Minister Ilter Turkmen, said that the two sides had expressed satisfaction at the progress in the development of mutual economic cooperation and agreed to continue cooperation in all fields in future.

Foreign Minister Prof. Shamsul Huq and his Turkish counterpart, the joint communique said, have stressed the need for widening and expanding the areas of mutual cooperation and exploring the possibility of increasing volume of trade and commerce between the two countries. In this context, they decided to take immediate measures for setting up a jute centre in Istanbul.

The Turkish Foreign Minister, who visited Bangladesh at the invitation of Foreign Minister Prof. Muhammad Shamsul Huq called on President Ziaur Rahman and Prime Minister Shah Azizur Rahman and visited the Ataturk High School at Feni, Noakhali.

While reviewing existing bilateral relations the two Foreign Ministers reaffirmed their mutual desire to expand areas of cooperation in all fields, beneficial to both countries.

A cultural agreement which was signed during the visit provides for exchange of scientists, teachers, students and cultural delegations to further consolidate their existing ties of cooperation in the field of education and culture, the joint communique said.

The Turkish Minister was also briefed on the Bangladesh's Second Five-Year Plan and its objectives. The communique said that Mr Turkmen expressed his appreciation on the objectives of the Second Five-Year Plan and lauded the development efforts under way in the country.

Plea for More OIC Cooperation

Foreign Ministers of Bangladesh and Turkey on Wednesday called for closer cooperation among the member countries of the Organisation of Islamic Conference in political economic and cultural fields.

In a joint communique issued at the end of the four-day visit of Turkish Foreign Minister Ilter Turkmen to Bangladesh both sides stressed the need for unity and solidarity among Muslim countries and expressed profound satisfaction at the outcome of third Islamic summit and the Mecca Declaration.

The communique said: The two Foreign Minister reaffirmed their determination to cooperate closely for speedy realisation of the objectives and decisions of the Islamic Conference.

Reviewing global political situation, the two Foreign Ministers underscored the importance of increasing efforts by all countries for promoting and strengthening solidarity and harmony in the world in general and Islamic countries in particular. They also reaffirmed their commitment to the principles and objectives of the United Nations Charter and the Organisation of Islamic Conference.

The two Foreign Ministers reaffirmed their unequivocal support for the establishment of a zone of peace in the Indian Ocean and its natural extensions and recalled the decision of the Third Islamic Summit Conference to the effect that safeguarding security and stability of the Gulf regions is the responsibility of Gulf states only.

They also exchanged views on the Cyprus question and expressed the hope that on-going negotiations between the two communities in Cyprus would lead to a peaceful and mutually acceptable solution of the problem.

Turkish Foreign Minister Mr Ilter Turkmen left Dacca on Wednesday for Kuala Lampur at the end of a four-day official visit to Bangladesh.

He was seen off at the airport by Foreign Minister Prof. Shamsul Huq, Foreign Secretary S.A.M.S. Kibria senior officials of the Ministry of Foreign Affairs and Turkish diplomats in Bangladesh were also present.

CSO: 4220

GOOD BANGLADESH-TURKISH RELATIONS UNDERLINED

Dacca THE BANGLADESH OBSERVER in English 11 Mar 81 p 6

[Editorial]

[Text] Mr Ilter Turkmen, the Turkish Foreign Minister, is in the city. The talks he had with Prof. M. Shamsul Huq, his counterpart, were held in an atmosphere of friendship and cordiality. A spokesman of the Foreign Office remarked that the atmosphere was symbolic of the relationship that existed between the two countries.

These relations are not new. These, any student of history would recall, are based on both feelings of religion and sentiments of nationalism. To these have been added forces from other areas: cultural relations have been strengthened over time and trade relations have grown. The visit of the Turkish Foreign Minister revives many a memory. There can be no doubt that the two countries would continue to come still closer to each other in future.

The two Foreign Ministers have reviewed the international situation. The Middle East, Afghanistan and the Indian Ocean have been discussed. The key element in the stand Bangladesh has taken on these is insistence on peace, acceptance of the just and legitimate demands of the people, and non-interference and non-intervention in the internal affairs of a nation. These are principles which would have a clear and positive bearing on the efforts that a nation makes to attain progress and prosperity.

An agreement has been signed by Turkey and Bangladesh to promote technical and cultural cooperation between the two countries. The process of modernisation began in Turkey early this century. The process has been initiated in Bangladesh, and there is much that Bangladesh can learn from the experience of Turkey. There is much that is common in the traditional social structure of the two countries. Turkey succeeded in suitably amending certain traditional values that posed a threat to technological transformation and consequently to the social changes that accompany such transformation. Hers is an example of a happy blending of traditional and modern forces, old and new values. Social values in Bangladesh too are changing. This transition must be smooth and spontaneous. Strengthening of the cultural ties between the two countries would help Bangladesh in the efforts she has now mounted to bring about social changes aimed at modernization and attainment of total welfare of the people.

The two Foreign Ministers have particularly emphasized the trade relations between the two countries. The scope for increasing the existing volume of trade between the two countries is indeed considerable. Bangladesh is setting up a jute centre in Turkey. Turkey continues to export railway carriages to Bangladesh. These are only indicative of the areas on which cooperation between the two countries can be further expanded and strengthened. The two Foreign Ministers are reported to have directed the concerned officials to go into further details and explore the possibilities. These indeed are healthy signs.

Bangladesh has decided to observe the birth centenary of Kamal Ataturk, Special commemorative stamps would be issued on the occasion. Seminars and symposia wou would be held, Kamal Ataturk is a legendary figure in Bangladesh. He is a symbol of mass awakening, national fervour and progress. It is good that his birth centenary is being observed in this country in a befitting manner. This would bring the two countries still closer to each other. On its own too, this is a worthwile exercise.

A senior Turkish official, who was present during the press briefing remarked that the political relations between the two countries were excellent and the understanding between them deep. These indeed are. This is also evident from the tributes the Turkish Foreign Minister has paid to the dynamic leadership of President Ziaur Rahman.

CSO: 4220

INDIAN TRADE FAIR HEAD HOLDS PRESS CONFERENCE

Dacca THE BANGLADESH OBSERVER in English 5 Mar 81 pp 1,12

[Text] The Association of Indian Engineering Industry (AIEI) is willing to extend all-out support for the promotion of industrial cooperation arrangements and trade between Bangladesh and Indian engineering industry. The members of the AIEI are ready to participate and assist Bangladesh in the field of industrial and economic development.

Stating this at a Press conference in Dacca on Wednesday, Mr Vinod L. Doshi, Chairman Trade Fair Committee of AIEI said that the purpose of the first ever Indian engineering trade fair in Dacca was to bridge the communications gap between India and Bangladesh and to promote joint ventures, export import, projects and buy-back arrangements. The weeklong fair which began at the premises of Bangladesh Shilpakala Academy on Monday last has been designed to project Indian engineering capability in the small, medium and large-scale sectors, he added.

The Chairman of the Trade fair Committee observed that India had acquired experience and expertise in the field of the engineering industry sector over the last two and a half decades and the developments and expansion of this industrial sector in India over the period had been quite a commendable one. He felt that India's experience and technical know-how were of much relevance to countries like Bangladesh and other developing countries in their efforts to solve the problems of growth and development.

Mr Doshi noted that the engineering trade fair sponsored by the AIEI in Dacca had already evoked a great deal of "very encouraging" response from the people in Bangladesh. The participants in the fair have received a large number of queries from trade and industry circles in the country and such queries showed remarkably well the keen interest of potential Bangladeshi partners in joint collaboration arrangements with AIEI in the engineering sector, he added.

The newsmen at the Press conference were taken around the different stalls and pavillions put up by the members of the AIEI at the trade fair. Over 50 members of the AIEI are taking part in the fair. The exhibits at the fair give a visitor a broad idea about the industrial development activities in India, particularly in the engineering sector. Indian efforts at technological advancement and developing appropriate technology with the active support of the Indian

Government through rigorous import-substitution programme dating backing to early fifties are well evident in the wide range of engineering goods and industrial products which have been put for display at different stalls in the fair. [as published]

In a stall at the trade fair I saw motorised cycles assembled in Bangladesh be Moped Limited in collaboration with the Moped India Limited. [as published] The producers say that the cycle runs 200 miles per gallon. It has an additional facility of pedal system in case of sudden shortage of fuel.

CSO: 4220

JOURNALISTS UNION EXECUTIVE COMMITTEE MEETS

Dacca THE BANGLADESH TIMES in English 9 Mar 81 p 8

[Text] The two-day meeting of the Executive Committee of Bangladesh Federal Union of Journalists ended in Khulna on Friday night, reports BSS.

The meeting in a resolution called upon the Government and newspapers owners to immediately fulfill the eight-point demands of BFUJ. The meeting adopted elaborate programme for movement in support of the eight-point demands.

The demands include withdrawal of Disturbed Areas Bill and repeal of all black laws, formation of Press Commission, dissolution of Management Board, formation of separate wage board for the journalists, introduction of house rent ceiling, night allowance, implementation of agreed minutes in all newspapers and strict adherence to newspaper employees condition of service act.

The meeting in another resolution expressed strong resentment at the increasing pressure from Government owners and other quarters against objective coverage of news and pledged to carry the struggle for freedom of Press.

In another resolution the FEC expressed grave concern over recent tendency on the part of certain newspaper management to harass, victimise and arbitrarily change the service condition of the journalists. The FED viewed this as threat to the "security of the working journalists."

The management of ITTEFAQ recently transferred Mr Sultan Ahmed, Sub-Editor to general section, DAINIK DESH management remove Mr Borhan Ahmed from the post of News Editor and unilaterally transferred him to editorial section. The FEC considered these actions as victimisation.

In the face of bold and timely action by Dacca Union of Journalists, ITTEFAQ management had withdrawn their illegal orders.

The FEC while condemning the action taken by the DESH management against Mr Borhan Ahmed demanded its immediate withdrawal.

The FEC viewed with grave concern that editorial institution is being tempered continually which is impeding the growth of health journalism. The "editorial authority in the Government-owned newspaper is being undermined through interference from the authorities and the "Managing Board while in the non-Government

the ownership one has become the criterion for editorship. Only recently a non-journalists was appointed the editor of a Government-owned newspaper which amounted to "violation of" editorial institution. [as published]

GFUJ asserts that the union will continue to fight for sanctity and integrity of editorial institution the interest of freedom of Press. The meeting urged the Government to help small newspaper through evolving a rationale advertisement policy.

The meeting also called upon concerned authorities to accept the six-point demands of Chittagong Union of Journalists.

CSO: 4220

TURKISH FOREIGN MINISTER SPEAKS TO DACCA PRESS

Dacca THE BANGLADESH OBSERVER in English 11 Mar 81 pp 1, 12

[Excerpt] Turkish Foreign Minister Mr Ilter Turkmen said in Dacca on Tuesday that his visit would further consolidate friendship between the two brotherly countries and would expand the areas of cooperation.

Addressing a Press conference on Tuesday at state guest house Mr Turkmen said that his visit was very useful and he had fruitful exchange of views on bilateral and regional issues. He was happy at the warm reception given by the children and other people, at Kamal Ataturk School at Feni where he paid a visit on Tuesday. He noted that the friendship between Bangladesh and Turkey was deep rooted and he was overwhelmed by the friendly gesture of the people of Bangladesh. He expressed his hope that the cooperation between Bangladesh and Turkey would grow further.

Mr Turkey said that during his visit here he had signed a cultural and technical cooperation agreement.

Replying to a question Mr Turkmen said that he had discussed the development of the Iran-Iraq war with his Bangladesh counterpart. He said that Iran had not yet communicated in writing their condition and this was expected on Tuesday. He informed that Bangladesh and Turkey were the members of a committee set up by the peace mission to assist the two warring sides in ceasefire.

Supplementing the statement Prof. Shamsul Huq, Bangladesh Foreign Minister who was present at the Press conference said that the peace mission worked with a package formula and there was scope for discussion.

Mr Turkmen told a questioner that Turkey had the identical stand as to what Bangladesh was pursuing on Afghanistan issue. He said that his country demanded withdrawal of foreign troops from Afghanistan.

Replying to another question Turkish Foreign Minister said that the jute centre set up in Turkey was the beginning of the joint venture and his country was importing jute worth 25 million U.S. dollars. He said that the bilateral cooperation between the two countries would increase further in the coming days.

Mr Turkmen welcomed the Bangladesh proposal for South-Asian forum and said it was an imaginative idea. He expressed his hope that it would succeed.

Earlier Prof. Shamsul Huq, introducing the Turkish Foreign Minister said that Mr Turkmen was the first Turkish Foreign Minister to visit Bangladesh. He further said that his visit had coincided with the birth centenary of Kamal Ataturk. Bangladesh would also celebrate the birth centenary of Kamal Ataturk.

Prof. Shamsul Huq said that the visit of Mr Turkmen would further consolidate the friendship between the two very friendly countries.

CSO: 4220

TEXT OF GOVERNMENT ORDINANCE ON PRIMARY EDUCATION

Dacca THE BANGLADESH TIMES in English 7 Mar 81 pp 1,8

[Text] The Government on Friday promulgated an ordinance providing for better organisation of primary education and efficient administration and management of primary schools, reports BSS.

The ordinance to be called "the Primary Education Ordinance, 1981," provides for formation of local education authorities for each local area, an executive committee for each authority and managing committee for each primary school.

Primary school teachers and employees under the ordinance will be Government servants. It said "for the removal of doubts, it is hereby declared that all persons serving in a primary school as teachers or other employees shall be Government servants."

The following is the text of the ordinance:

The Primary Education Ordinance, 1981

Ordinance No II of 1981--An Ordinance

To provide for the better organisation of primary education and efficient administration and management of the affairs of primary schools.

WHEREAS it is expedient to provide for better organisation of primary education and efficient administration and management of the affairs of primary schools;

AND WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render immediate action necessary;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 93 of the Constitution, the President is pleased to make and promulgate the following Ordinance:--

1. Short title and commencement--(1) This Ordinance may be called the Primary Education Ordinance, 1981.

(2) It shall come into force on such date as the Government may, by notification in the official Gazette, appoint.

2. Definitions.--In this Ordinance, unless there is anything repugnant in the subject of context,--

(a) "Authority" means a Local Education Authority constituted under this Ordinance;

(b) "local area" means a subdivision and includes the municipalities of Dacca, Chittagong, Khulna and Rajshahi;

(c) "managing committee" means a primary school managing committee constituted under this Ordinance;

(d) "prescribed" means prescribed by rules made under this Ordinance;

(e) "primary school" means a primary school established or maintained by the Government.

3. Local Education Authorities.--(1) There shall be a Local Education Authority for each local area.

(2) Each Authority shall consist of the following members, namely:--

(a) The Sub-divisional Officer having jurisdiction in the local area, ex-officio, who shall also be its Chairman;

(b) the Chairman of the Thana Development Committees in the local area, ex-officio;

(c) the Chairman of the Pourashavas in the local area, ex-officio;

(d) the Assistant Engineer of Primary Education Development Projects having jurisdiction in the local area, ex-officio;

(e) the Primary Education Officer having jurisdiction in the local area, ex-officio, who shall also be its Secretary;

(f) one Thana Education Officer of the local area to be nominated by the Government;

(g) one person interested in education to be nominated by the Government from each thana in the local area;

(h) one teacher of a primary school to be elected in the prescribed manner by the teachers of primary schools in each thana in the local area.

(i) one Gram Prodhan of Swanirvar Gram Sarker to be elected in the prescribed manner by the Gram Prodhans of each thana in the local area;

(j) one woman member from each thana to be nominated by the Government:

Provided that in the case of the Authority for the municipality of Dacca, Chittagong, Khulna or Rajshahi--

(i) the Chairman of the Authority shall be appointed by the Government;

(ii) there shall be no members under clauses (a), (b) and (i);

(iii) such number of commissioners of the Corporation or Pourashava, not exceeding one third of their total number to be elected in the prescribed manner by the Corporation or Pourashava, as may be fixed by the Government shall also be members of the Authority.

(3) Each Authority shall elect from among its members a Vice-Chairman in such manner as may be prescribed.

(4) The Secretary of an Authority shall be its chief executive officer.

(5) A member of an Authority, other than an ex-officio member, shall hold office for a term of four years.

4. Executive Committee.--(1) There shall be an Executive Committee for each Authority.

(2) An Executive Committee shall consist of the following members, namely:--

(a) the Chairman of the Authority, who shall also be its Chairman;

(b) the Secretary of the Authority, who shall also be its Secretary;

(c) the member of the Authority mentioned in section 3(2)(d);

(d) one member to be elected by the Authority from among the members mentioned in section 3(2)(b);

(e) one member to be elected by the Authority from among members mentioned in section 3(2)(g);

(f) one member to be elected by the Authority from among the members mentioned in section 3(2)(h);

(g) one member to be elected by the Authority from among the members mentioned in section 3(2)(i);

Provided that in the case of the Executive Committee for the Authority of the municipality of Dacca, Chittagong, Khulna or Rajshahi--

(i) there shall be no members under clauses (d) and (g);

(ii) two members shall be elected by the Authority from among the members mentioned in clause (iii) of the proviso to section 3(2).

(3) The election of the members under clauses (d), (e), (f) and (g) of, and clause (iii) of the proviso to, sub-section (2) shall be held in such manner as may be prescribed.

(4) The minutes of every meeting of the Executive Committee shall be laid before the Authority for information at its meeting next following the meeting of the Committee.

(5) Subject to the general or special directions of the Authority, the Executive Committee may deal with any matter within the competence of the Authority.

5. Meetings--(1) No business of an Authority or of an Executive Committee shall be transacted except at a meeting at which a quorum of fifteen members in the case of the Authority and three members in the case of the Executive Committee is present.

(2) The meetings of the Authority or of the Executive Committee shall be held at such times and places as may be determined by its Secretary in consultation with its Chairman.

(3) All meetings of the Authority or of the Executive Committee shall be presided over by its Chairman or, in the absence of the Chairman:--

(a) by its Vice-Chairman, in the case of the Authority; and

(b) by a member authorised by the Chairman, in the case of the Executive Committee.

(4) At the meetings of the Authority or of the Executive Committee each member shall have one vote and, in the event of equality of votes, the person presiding shall have a second or casting vote.

(5) No act or proceeding of the Authority or of the Executive Committee shall be invalid merely on the ground of existence of any vacancy in or any defect in the constitution of the Authority or of the Committee as the case may be.

6. Functions of Authorities (1) Subject to rules made and directions issued by the Government in this behalf each Authority shall--

(a) appoint teachers and other employees for primary schools post, promote and transfer teachers and other employees of primary schools and take disciplinary action against them in accordance with the Government Servants (Discipline and Appeal) Rules, 1976;

(b) prepare development schemes and submit them to the Government for approval and execute them after such approval;

(c) supervise the functioning of primary schools;

(d) prepare annual budget and submit it to the Government for approval;

(e) establish primary schools with the prior approval of the Government;

(f) maintain primary school premises and provide them with all necessary facilities;

(g) regulate the work of primary school teachers;

(h) conduct primary school final examinations and award certificates;

(h) award scholarships.

7. Powers of Government:--(1) The Government shall--

(a) formulate overall policy relating to primary education;

(b) prescribe curriculum and syllabi for primary education and standard of education and examination for primary school students;

(c) approve textbooks for primary education;

(d) determine by rules the methods of recruitment of primary school teachers and the terms and conditions of their service;

(e) make all payments in respect of pay, allowance, pension, gratuity and other a fits payable to a primary school teacher or employee [as published];

(f) sanction primary schools and posts of primary school teachers;

(g) provide funds for establishment maintenance and development of primary schools.

(6) The Government may transfer a primary school teacher from one local area to another local area.

8. Funds of Authorities--(1) Each Authority shall have its own Fund which shall comprise--

(a) funds provided by the Government under Section 7 (g);

(b) donations and endowments;

(c) receipts from such other sources as may be approved by the Government.

(2) The fund of an Authority shall be administered in such manner as the Government may direct.

9. Audits and accounts--(1) Each Authority shall maintain its accounts in such manner as the Government may direct.

(2) The accounts of the Authority shall be audited by the Comptroller and Auditor-General in such manner as he deems fit.

(3) The Comptroller and Auditor-General shall, as soon as possible after the completion of the audit send to the Authority his audit report and the Authority shall forward it with its comments thereon, to the Government.

10. Delegation of powers--Each Authority may, by general or special order, delegate to its Chairman or Secretary any of its functions subject to such conditions as it may think fit to impose.

11. Supersession of Authorities--(1) If at any time it appears to the Government that an Authority has failed to exercise the powers or perform the functions conferred upon it by or under this Ordinance, the Government may by notification in the official Gazette, supersede the Authority for such period not exceeding four years as may be specified in the notification.

(2) On the publication of a notification under sub-section (1)--

(a) the persons holding office as Chairman, Secretary and members of the Authority shall cease to hold office; and

(b) all powers and functions of the Authority shall, during the period of supersession, be exercised and performed by such person in the service of the Republic as the Government may appoint in this behalf, as if such person were the Authority.

(3) The Authority shall be reconstituted in accordance with the provisions of this Ordinance for the exercise of its powers and performance of its functions on the expiry of the period specified in the notification under sub-section (1).

22. [as published] Primary school teachers and employees Government servants.--For the removal of doubts it is hereby declared that all persons serving in a primary school as teachers or other employees shall be Government servants.

13. Primary School Managing Committees.--(1) There shall be managing committee for each primary school.

(2) A managing committee shall consist of--

(a) the Gram Prodhan of Swanirvar Gram Sarkar of the area where the school is situated, ex officio;

(b) the head teacher of the school, ex-officio, who shall also be its Secretary;

(c) two persons interested in education to be nominated by the Thana Education Officer;

(d) one donor to be nominated by the Thana Education Officer;

(e) one benefactor to be no. Thana Education Officer; [as published]

(f) one woman member of the Gram Sarkar to be nominated by the Thana Education Officer;

(g) one representative of the teachers of the school to be elected from among themselves;

(h) four representatives of the parents and guardians of the students of the school to be elected from among themselves.

Provided that in the case of the managing committee of a primary school situated in the municipality of Dacca, Chittagong, Khulna or Rajshahi--

(i) there shall be no members under clauses (a) and (f);

(ii) the commissioner of the Corporation or Pourashava from the ward where the school is situated shall be a member, ex-officio, of the committee;

(iii) one woman commissioner of the Corporation or Pourashava, to be nominated by the Thana Education Officer, shall also be a member of the committee.

(3) The members mentioned in clauses (g) and (h) of subsection (2) shall be elected in such manner as the Thana Education Officer may direct.

(4) A managing committee shall elect from among its members a Chairman in such manner as the Thana Education Officer may direct.

(5) A member of a managing committee, other than an ex-officio member, shall hold office for a term of four years.

14. Functions of managing committees--Subject to the directions issued by the Authority concerned, a managing committee shall--

(a) manage the affairs of the school;

(b) supervise the functioning of the school;

(c) execute the development schemes in respect of the school if so required by the Authority concerned;

(d) ensure regular attendance of students and teachers.

15. Power to make rules--The Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Ordinance.

16. Transfer of primary schools in Dacca Municipality to Government.--(1) Notwithstanding anything contained in any other law for the time being in force, on the commencement of this Ordinance--

(a) all primary schools in the Dacca Municipality and all their assets and property including lands, buildings and funds and all other rights and interests in, or arising out of, such property, and all records and other documents of whatever nature relating thereto, shall stand transferred to, and vested in, the Government;

(b) All persons serving in the said primary schools immediately before such commencement shall stand transferred to the Government and shall hold their service under the Government on the same terms and conditions as were applicable to them immediately before the commencement of the Primary Schools (Transfer to Dacca Municipal Corporation) Act, 1980 (XLIII of 1980).

(2) The Government may, for the purpose of removing any difficulty arising out of, or in connection with or in relation to, the transfer of the primary schools under sub-section (1), make such order as it considers expedient.

17. Repeals--The Primary Schools (Transfer to Dacca Municipal Corporation) Act, 1980 (XLIII of 1980), and the Primary Education Ordinance, 1981 (I of 1981), are hereby repealed.

Ziaur Rahman, BU,
Lieutenant General.
President

CSO: 4220

VICE PRESIDENT'S ADDRESS TO MUSLIM EDUCATION PARLEY

Dacca THE BANGLADESH TIMES in English 7 Mar 81 pp 5,6

[Inaugural address of Vice-President Justice Abdus Sattar at the Third World Conference on Muslim Education held in Dacca during week of 2 March 1981]

[Text] The system of education of a society or a community is inseparably linked with the philosophy of life of that society or community. A look at the history of philosophy of education takes us into the arcana of the workings of the human spirit, up and down the ages, through the highways and byeways of civilisation.

The lessons of this long history of philosophy of education are that any meaningful system of education must be based on a total and comprehensive lifeview with proper justice to all the aspects of the human personality--body and mind, intellect and emotion, reason and intuition, esthetic sense and spiritual cravings, the scientific and the religious yearnings of man.

In a word, a sound and sober philosophy of education must be attuned to the deepest throbbings of the human soul, catering at the same time to his practical needs. Undue stress on any one particular aspect results in serious disdisequilibrium of the human psyche, a dichotomy of the human soul. Such an unbalanced system has over and again resulted in lopsided development of one aspect to the detriment of the other, finally leading to the decay and disintegration of the society concerned.

Recognition of Uniformity of Nature and its Laws--which is a direct corollary of belief in One God--and recognition of human dignity, of the individual are essential prerequisities for a successful and salutary system of education. One-sided emphasis on one aspect of the human mind to the utter negligence of the other and discrimination on grounds of birth or station in life, between Patricians and Plebians, between the Nobility and the Commonality, between Freemen and Serfs, which were the direct outcome of the failure to give recognition to the abovementioned principles, namely, oneness of Creator and of creation, uniformity of Nature and equality before the eye of law and respect for human individuality--were the inherent weakness of the philosophy of life and of education of the civilisations of Greece, Rome, ancient Egypt and India which, in spite of brilliant achievements in some fields, were found wanting in the scale of truth and justice and had to yield place to others. Early Christianity, that is, Christendom up to the pre-Reformation and pre-Renaissance period was hardly an exception to this.

It is a fact of history that in no society before Islam the complete and unqualified recognition of the cardinal principles of unity of Creator and of creation, uniformity Nature and of laws and importance of the particular and the individual was a reality.

As a natural corollary to this, no society before Islam could provide a total life-view with a harmonious blending of the different aspects of the human personality. In no society before Islam education was a universal right--it was unfortunately the exclusive privilege of the Clergy and the Nobility.

Islam, based as it is on a total and comprehensive life-view made education, for the first time in history, not only the right but also the duty of every man and woman, irrespective of class, rank or station in life. "Talabul ilma farizatun ala kulley Muslemin wa muslemtin"--"Pursuit of knowledge is an obligatory duty of every believing man and woman"--said the Holy Prophet (SM). Some critics contend that by ILM or knowledge the Prophet (SM) meant Islamic theology. I would like to remind them that by knowledge, he did not mean merely theology, when he said in unambiguous terms "Utlubul imla wa lao kana be seen," that is, "Pursue knowledge even if it be in China."

By restoring pure and unadulterated monotheism, unity of Creator and of creation by abolishing priesthood altogether, by banishing all distinctions between man and man, by establishing the dignity of man as the vice-gerent of God and by declaring that Allah has made subservient unto man all that is in the Heavens and the Earth, by giving proper recognition to all the aspects of the human mind, by removing the conflict between matter and spirit, between intellect and emotion, reason and revelation, between this worldliness and other-worldliness, between science and religion, between matter and spirit in a word by giving a total life-view, Islam laid the basis of a truly scientific and democratic philosophy of education.

Allah says "Laqad khalaknal insana fi ahsane taqeem"--"We have created man in the best of forms. (Al-Quran Sura Teen: 3). And also "Verily we have honoured the children of Adam. We carry them on the land and the sea and have made provision of good things for them and have preferred them above many of those whom we created with a marked preferment." (Al-Quran, Sura Bani Israel: 70)

Islam freed the mind of man from the shackles of superstition, from the dark dread of unseen beings, and liberated unbounded energy and true scientific spirit by declaring man as the Khalifa or representative of God on earth. In Sura Luqman it is said "Seest thou not that Allah hath made subservient unto you whatsoever is in the skies and whatsoever is in earth and has loaded you with his favours both without and within?" Allah has also declared, "He unto whom scientific wisdom is given hath truly received abundant good" (Al-Quran Sura Al-Anam: 289).

Al-Quran repeatedly asks man to reflect on the order and harmony of creation and to carry on enquiry and research into its secrets.

In fact Al-Quran puts modern scientific knowledge to shame when it declared thirteen hundred years before man acquired the skill of crossing the gravitational zones between the earth and other heavenly bodies, that man may cross

them with authority. "O company of men and jin; if we wish to penetrate the furthest regions of the heavens and the earth, then penetrate them, Ye will never penetrate except with authority" (Al-Quran Sura Ar-Rahman: 33).

I think I need not dwell at length upon the elaborate teachings of Al-Quran which all of you are well aware of. What I want to stress here is the fact that as a religion Islam for the first time preached a liberal scientific spirit combined with the realisation of the dignity and higher destiny of man. Al-Quran opened before the eyes of man the endless prospect of unlimited progress. "O man, ye will journey on from plane to plane (Al-Quran Sura Al-Inshiqaq: 19).

Real social and spiritual democracy and scientific spirit are the essence of the teachings of Islam. It was this teaching which inspired the Muslims to build a magnificent civilisation, which according to objective assessment by historians, surpassed that of ancient Rome in animation and variety and all its predecessors in comprehensiveness. According to historians like William Draper intellectual development of Europe was largely due to the influence of Islam, which was a major factor behind the European Renaissance.

In the words of a historian, "Although there is not a single aspect of European civilisation in which the influence of Islam is not traceable, nowhere is it so clearly manifest as in the genesis of that power which constitutes the chief source of its strength and permanent weapon of its victory, namely, the scientific spirit and love for the natural sciences" (Briffault: Making of History).

I cannot check the temptation of quoting here the inimitable words of Carlyle "To the Arab nation it was a birth from darkness into light. A Hero Prophet was sent down to them with a word they could believe. Within one century afterwards Arabia is at Granada on one hand, to Delhi on the other; glancing in valour and splendour and the light of genius."

The rational and liberal spirit of Islam enabled the Muslims to build a brilliant electric civilisation by taking what was good in other cultures and transforming it by the alchemy of their genius. The splendour of the many-coloured tapestry of Islamic civilisation woven by the Muslim has been rightly regarded by historians as the amazing miracle of the Middle Ages, Al-Farabi, Al-Razi, Ibne Sina, Al-Gazzali, Ibne Ruehd, Omar Khayam, Al-Beruni, Ibne Khaldun, to name only a few, are among the galaxy of luminaries in the intellectual firmament of the Middle Ages, who stood by the cradle of modern science and eventually led to the intellectual reawakening of the west through Reformation and Renaissance.

The distinguishing feature of Muslim philosophy of life and of education was the perfect synthesis between the material and the spiritual, the intellectual and the emotional, the scientific and the moral aspirations of man. By a curious quirk of history the decay of Islamic civilisation was almost synchronous with the splitting up of this comprehensive life-view and the divergence of this single current into separate streams of temporal and spiritual, intellectual and mystical pursuits. In other words, unlike the cases of other civilisations, the decay of Islamic civilisation was the result of deviation from

its own composite and synthetic philosophy of life. As soon as the organic vitality of the system was sapped due to the falling apart of the different elements, it gave in to despair and pessimism, its bubbling energy being lost in the dreary desert of mental stupor and torpor, falling an easy prey to alien domination.

Needless to mention, during centuries of colonial rule we were subjected to a pattern of education designed primarily to perpetuate the hold of Imperial rulers. We were tied too tightly to the steel-frame of foreign bureaucratic administration and were taught the arts of being successful clerks or quill-drivers of our foreign masters with hardly any scope for access to the higher sciences.

Things have since changed the call of rebuilding our destiny or restructuring our system of education has come. It is a stupendous task no doubt, but, I believe, the Muslim UMMAH has the vigour and the stamina to prove equal to it. It is both a challenge and an opportunity to direct our energy to constructive channels and creative endeavours.

We have to bring our system of education on modern scientific lines, keeping in view our own precious heritage, so that we can reap the benefits of modern science and technology and march forward on the road to progress and prosperity. At the same time we must dig deep into our valuable heritage and bring about a synthesis between technology and morality between science and religion--a synthesis which has been the special characteristic of Islamic civilisation, as I have stressed earlier. While emphasising the importance of scientific pursuits again and again. Al-Quran always reminds us not to lose sight of the sense of purposiveness, of the corresponding moral obligations.

Al-Quran says: "Khalak-ta haia batela, subhanaka, faquena azaba nnar,"--"Lo, in the creation of the heaven and the earth and in the difference of night and day are tokens for men of understanding who remember Allah, standing, sitting and reclining and reflect upon the creation of the heavens and the earth and say: Our Lord' Thou has not created all this in vain, Glory be to Thee' Preserve us from the doom of Fire" (Al-Quran Sura Al-Impran: 190-191).

While science can lead us on to material prosperity, it alone cannot ensure the total development of the human personality, the Summum Bokmum of our life, unless accompanied by moral and spiritual consciousness. So, Science and Morality should be the guiding principles of our system of education. At the same time, other Social Sciences and Humanities must receive their due share within the broad framework of a well-graded structure of education of which science and moral education would be the two most important pillars.

It is a question of proper appointment of emphasis among the confusing medley of competing priorities which is characteristic of the development endeavours of the newly awakened countries of the Third World. We, in Bangladesh are sincerely trying in our humble way to evolve a balanced system of education with proper emphasis on science, technology and morality.

I hope and believe, the distinguished delegates, scholars and educationists will address themselves to this task of proper apportionment of emphasis in the interest of evolving a sound sober system of education for the Muslim Community.

In the past the comprehensive philosophy of life of Islam succeeded in effecting a synthesis between the different demands of the human mind, between the opposites and the extremes. Given the good will and sincerity of endeavours, the Muslim scholars and educationists can once again rise to the occasion and effect that much-needed synthesis. If we can do so, we will render a real service not only to ourselves but to the entire world torn between conflicting ideologies, contending isms, cultural chaos and gasping for such a synthesis. Let us pool our resources and brains together to meet this challenge of the age, to evolve a sound and synthetic philosophy of life and of education.

In spite of many lapses and backslidings, in spite of the bogs and fences and ditches on its path, the caravan of the Muslim Ummah moves on. Signs of a new reawakening are clearly visible in the World of Islam today. The entire Muslim world from Morocco to Indonesia is in a new ferment, in the throes of a new birth. Across centuries of slumber the clarion call of Al-Quran echoes and re-echoes inviting us to be the best of communities leading mankind to all that is great and sublime. Allah has promised us the perfection of his Light even in the face of hostilities and obstacles. That light beckons us ahead. Let us bathe anew in that celestial light, drink deep in the fountain of Al-Quasar, the perennial spring of real enlightenment, genuine peace, prosperity and moral power.

CSO: 4220

SOVIET AMBASSADOR HOLDS DACCA PRESS CONFERENCE

Dacca THE BANGLADESH OBSERVER in English 13 Mar 81 pp 1, 12

[Text] The Soviet Union will "consistently continue the policy of promoting cooperation with newly-free countries and consolidate the alliance of world socialism and national liberation movement" the Soviet Ambassador in Bangladesh V. P. Stepanov said in Dacca on Thursday, reports ENA.

He was explaining salient features of the recently concluded 26th Congress of Soviet Communist Party in Moscow at a Press conference at the Soviet Cultural Centre.

He said to ensure betterment of the peoples living condition the Soviet Union will "vigorously struggle to strengthen peace and deepen detente."

Mr Stepanov made a pointed reference to Bangladesh and said the Soviet Union and other socialist countries have wide ranging mutually beneficial economic scientific technical and cultural cooperation with Bangladesh.

In this connection he said that his country has expanded trade and commercial transactions and also provided project assistance to Bangladesh to help her overcome economic difficulties. "We want further expansion of existing cooperation between the two countries," he added.

While explaining Soviet stand on Afghan issue adopted at the 26th Communist Party Congress. Mr Stepanov quoted his President L. I. Brezhnev as saying that "we will be prepared to withdraw Soviet military contingent with the agreement of the Afghan Government." Before this is done he quoted Brezhnev as saying "the infiltration of counter revolutionary gangs into Afghanistan must be completely stopped and dependable guarantee of non-interference must be there.

Mr Stepanov, however, expressed his ignorance about the number of Soviet troops now in Afghanistan.

On Sino-Soviet relationship the Soviet Ambassador quoting the speech of Mr Brezhnev said the proposal of his country for normalising relations with China remain in force. But he added if Soviet Chinese relations remain frozen, this is not because of our position.

Explaining Soviet relationship with Muslim countries, the Soviet Ambassador said, "we have every respect for the religious convictions of people professing Islam," but, he regretted many reactionary forces manipulate with Islamic slogans to incite counter revolutionaries he however said Soviet Union would welcome an early end to the Iran Iraq war and a political settlement of the conflict.

Mr Stepanov said the speaking at the 26th Congress of the CPSU L. I. Brezhnev advanced a new expansion of the Peace Programme adopted by the 24th and 25th Congresses of the CPSU. Among them the prominent place belongs to concrete proposals for confidence building measures, implementation of which would put international relations on solid basis. The Soviet leader expressed preparedness of the USSR to continue negotiations with the USA on Limitation and reduction of strategic armaments without any preconditions. No task is more important now on the international scale for our people and, for that matter for all the peoples of the world than to safeguard peace--emphasized L. I. Brezhnev in his speech. The Soviet Union together with the fraternal socialist countries does its utmost to secure the life of all mankind in warless world Mr Stepanov pointed out.

CSO: 4220

MUSLIM EDUCATION CONFERENCE ENDS IN DACCA

Dacca THE BANGLADESH OBSERVER in English 12 Mar 81 pp 1,8

[Text] The Third World Conference on Muslim education concluded in Dacca on Wednesday with the adoption of a detailed set of recommendations for textbook development on Islamic conceptual basis. While suggesting the teaching of Islamic culture and civilisation at all stages of education in the Muslim World, the conference highlighted the need for textbook development as preventive of divisive influences and means of promoting unity and solidarity in the Islamic World.

The Islamic scholars in the conference noted in their recommendation that the declaration of the Third Islamic Summit held in Mecca in January, '81 "to coordinate our efforts in the fields of education and culture so that we may draw on our religious and traditional sources in order to unite the Ummah, consolidate its culture and strengthen its solidarity, cleanse our societies of moral laxity and deviation of inculcating moral virtues, protecting our youth from ignorance and from exploitation of the material needs of some Muslims to alienate them from their religion" underlined the need for seeking the basic Islamic ideological assumptions for inspirational and intellectual guidance for the Muslim society.

Prime Minister Shah Azizur Rahman who is holding the charge of the Ministry of Education presided over the concluding session of the Third World Conference on Muslim Education.

In his presidential address, the Prime Minister observed that the dynamism of Islam as an ideology, providing a perfect synthesis between materialism and spiritualism, between individualism and socialism and between nationalism and internationalism must be understood, appreciated and comprehended in a proper perspective by the Muslim community to hasten the process for Islamisation of the educational processes in the Muslim World. He felt that time was ripe in the Islamic World to guard against all alien influences in the current phase of the wave of Islamic renaissance and revivalism.

The closing session of the conference was also addressed by Prof Serajul Huq, Chairman of the Institute of Islamic Education and Research, Dacca and Prof. Syed Ali Ashraf, Director-General, World Centre for Islamic Education.

In his speech, the Prime Minister noted that the "Vulgarities of secularism" had polluted the thought processes of "our younger generation in particular" and stressed the need for Islamisation of education in the Muslim World in view of the fact that the education was the means through which the alien and the anti-Islamic forces had always sought to perpetuate their domination and to subvert the Islamic ideology. He recalled that the contributions of the Muslim scholars to the development of science and technology had been immense though out younger generation seemed to be ignorant about this.

Shah Aziz assured the participants in the conference that their recommendations would receive due attention of the Government of Bangladesh in its present efforts to bring about the much-needed Islamisation in "our education system" he pointed out that faith in Almighty Allah is the basis of all our actions and recounted that President Ziaur Rahman had introduced the major constitutional amendment in this context which later received the massive popular endorsement in the country. The Jatiya Sangsad had enacted a law for setting up an Islamic institute for education and research, he stated while adding that the efforts were currently on to set up an Islamic University in the country.

The Prime Minister felt that the recommendations of the Muslim scholars in the meeting would be hailed by "our people who are very much Islamic-minded." He thanked the scholars for their strenuous efforts through week-long deliberations in the conference to formulate a detailed set of recommendations for textbook development in the light of the injunctions of the Holy Quran and the Sunnah.

Recommendations

BSS adds: The recommendations were made under five heads, namely, general principles, elementary, secondary, university and minority educations.

The recommendations under the general principles said in order that proper textbooks are written basic ideological assumptions of the community are to be sought for inspirational and intellectual guidance these assumptions are derived in the Muslim community from the Holy Quran and Sunnah which are its sources and the legacy of the Islamic learning.

The conference also suggested steps to be taken for implementing the recommendations: (A) it said the curriculum be placed on a new syllabus befitting the age group of each class in the school or college with ascending order of depth, scope and amount of reading and exercise material (B) an international committee of scholarly experts be formed by the world centre of Islamic Education, Mecca immediately to undertake the task of delienating the syllabus for each class year of commissioning the writing of new materials or selection of old materials, the presenting of teaching projects, exercises, supplementary readings and examinations, and of making the syllabus ready for adoption, translation, and printing in the various Muslim countries.

(C) Teacher training seminars be held across the Muslim World to acquaint the future teachers of the course with the materials and to give them the necessary orientation for successful implementation.

(D) That all these processes be repeated every year to the end of preparing the syllabi until complete syllabi textbooks and teacher training are completed up to the graduation level.

The conference dealt with different branches of knowledge expressing deep concern at the elimination of history and geography and introduction of social studies with irreligious concepts, it urged all Muslim states to retain and reintroduce history and geography in both modern and traditional systems.

About teaching of literature, it recommended that the selection and preparation of lessons be undertaken in such a manner that up to the early and secondary stage, Muslim life and culture and all the major ethical values of Islam are installed into the heart and soul of children.

For social sciences, economics, civics, political science, sociology, etc. it recommended an integration of the teachings of Islam with the study of the social sciences in the textbooks to ensure development of analytical competence in students.

The conference devoted considerable time to formulate the recommendations on teaching of sciences. At the primary level it recommended that the element of awe in Allah's creature as seen in the varieties, forms and figures, habitat and function of inanimate and living systems in the world should be reflected in the textbooks on environmental science which should arouse curiosity in young minds to know about the unknown.

At the secondary level, the commandments of Allah for the pursuit of science, should be emphasized, and the contributions of the Muslim scientists in various branches should be highlighted.

Science education at the university level should be of an inter disciplinary nature reflecting a unity among the apparently disjoined topics and demonstrating the stability considerations, minimization principles, etc.

It said university science education should make the students wonder about the mastermindedness of the Almighty, the scheme of things, the order and harmony existing in the organization of matter, both at the microscopic as well as the macroscopic levels. A university student must be able to realize that being the viceregent of Allah, the scientific and technological progress of man is potentially limitless. The verses of the Holy Quran which deal with the mysteries of creation of life and matter should be interpreted and encouragement of Allah for seeking scientific truth at the deepest levels be highlighted.

The conference recommended that a curriculum and textbook development committee of not more than seven members drawn from different regions of Muslim World be set up by the World Centre of Islamic Education.

The conference recommended that teaching of Arabic in non-Arabic speaking countries should be encouraged and the medium of instruction and textbook for the primary and secondary stages should be the national language mother tongue as applicable to the country concerned.

The conference gave guidelines for developing and writing textbooks at the primary secondary and university levels. It asked the World Centre for Muslim Education to set up international committees of experts for different subjects and disciplines to prepare detailed syllabi to form the basis for the preparation of commissioned textbooks. For restructuring the university curriculum the conference reaffirmed the second world conferences division of all courses into "general islamic education" compulsory for all students and specialization in a branch of knowledge of a student's own choice.

The conference called upon all-Muslim governments to immediately stop infiltration of profane literature from external sources including blue films shown on imported VCRs.

The conference noted that about 40 per cent of the believers of Islam live in countries where majority of the people are non Muslims and educational and cultural institutions run by non-Muslim majority, governments actively militate against the preservation of ideological and cultural identity of the Muslim minorities. At many places mosques and Quranic schools are closed down. The languages of Muslims are suppressed and their history and religious character are deformed or ridiculed.

The conference recommended that Muslim minority educational institutions should institute educational programmes in Islamic thought and civilization for Muslim students at different levels. The focus of textbooks and supplementary reading materials should be developed consisting of the central themes of the Holy Quran and Sunnah and biography of the Prophet Muhammad (SM). The Muslim institutions in those countries should also operate in closest collaboration with the Muslim community organizations and centres.

CSO: 4220

INDIAN ENGINEERING TRADE FAIR OPENS IN DACCA

Dacca THE BANGLADESH OBSERVER in English 3 Mar 81 pp 1, 12

[Text] Mr Jamaluddin Ahmed, Deputy Prime Minister in charge of the Ministry of Industries said in Dacca on Monday that Bangladesh believed in cooperation among the developing countries, particularly with the regional countries of South Asia in the field of technology.

Inaugurating an eight-day Indian Engineering Trade Fair at the premises of the Bangladesh Shilpakala Academy, the Deputy Prime Minister said Bangladesh was committed to regional cooperation with the South Asian countries.

The inaugural function was addressed by Chowdhury Tanbir Ahmed Siddiky, State Minister for Commerce, Mr Khurshed Alam Khan, State Minister for Commerce, Government of India, Mr M. Dubey, High Commissioner of India in Bangladesh, Mr Manmohan Singh, President of Association of the Indian Engineering Industry and Mr T. D. Sinha, Vice-President of AIEI.

Mr Jamaluddin Ahmed said that Indian Engineering trade fair had been organised at a time when the speed of development in Bangladesh was gaining momentum.

Appreciating the progress and growth of engineering industry of India the Bangladesh Deputy Prime Minister hoped that Bangladesh could be benefited from the technological growth of India and there was vast scope for technology transfer for the development of Bangladesh.

Mr Jamaluddin Ahmed said that there were efforts in Bangladesh for rapid development in the field of industry, creation of jobs for the people and provision for the basic needs of life.

He said that remarkable technological growth of India might help the Least Developing Countries. Bangladesh would be benefited by adopting the Indian technology. He hoped that the fair would facilitate Bangladeshi entrepreneures [as published] in planning their investment in the industrial sector.

Speaking on the occasion, Mr Khorshed Alam Khan, Indian Minister of State for Commerce hoped that the fair would forge closer economic and technical cooperation between India and Bangladesh for mutual benefit. He said that the fair would further help both countries to expand and diversify their bilateral needs capabilities and potentialities.

Mr Khan said that there were several complementaries between the two countries and felt that the opportunities were wide open for utilizing these complementaries to mutual advantage. He said there were similarities in natural environments, appropriateness of Indian technologies, facility for training and back-up support, versatility of Indian experience in industrialization and developmental priorities of the two countries.

The Indian State Minister said that Indian industry could play a significant role in promoting small industries, modernising rehabilitation of old units as well as facilitate import substitution programme, transfer of know-how consultancy and managerial services.

Mr Alam invited Bangladesh to participate in the international trade fair to be held in Delhi in December this year.

CSO: 4220

ISLAMIC PARLEY CHAIRMAN TALKS TO PRESS IN DACCA

Dacca THE BANGLADESH OBSERVER in English 5 Mar 81 pp 1,12

[Text] Deeply concerned over the growing impact of alien influence on the impressionable mind of students in the Islamic nations, the World Conference on Muslim Education has embarked upon the task of "Islamisation" of syllabus and curricula from the primary stage to the university level.

This was divulged at a Press conference held at a local hotel on Wednesday by Sheikh Ahmed Salah Jamjoom Chairman of the Follow up Committee, First World Conference on Muslim Education, Dr Abdullah Omar Nasseef, President, King Abdulaziz University, Jeddah and Dr Syed Ali Ashraf.

The Third World Conference on Muslim Education begins in the city today (Thursday). The first two conferences were held in Mecca in 1977 and in Islamabad in 1980. Sheikh Ahmed Salah Jamjoom who held twice ministerial positions in the Saudi cabinet is the principal initiator of the move. Sheikh Salah Jamjoom said the problems arising out of the import of ideas from the western world had to be confronted through disseminations of Islamic theories.

He informed that the process of the Islamisation of education has progressed well during the past five years.

Sheikh Jamjoom said the third conference beginning today would provide a proper guideline for the whole of the Muslim World. The proposals and recommendations arrived at the conference would be placed before the next Islamic Foreign Ministers' Conference for its approval.

Dr Syed Ali Ashraf said the World Muslim Centre an agency of the Organisation of the Islamic Conference has already started collection of research works on various subjects by Muslim scholars all over the world.

The World Muslim Centre is also making serious efforts at locating Muslim scholars around the globe. The centre would seek their assistance in the implementation of the task of "Islamisation" of education.

The Centre would also try to work out a common curricula but their acceptance would be left to the individual nation.

The following topics will be discussed at the conference by eminent scholars of the Muslim World. The topics are Islamic concepts and the modern society, education systems vis a vis other systems, Islam and the teaching of natural sciences, Islamic economic for a modern society.

The conference jointly sponsored by Institute of Islamic Education and Research, Dacca and King Abdulaziz University, Jeddah will conclude in March 11.

BSS. adds: Almost all the delegates from different parts of the world arrived in Dacca on Wednesday to attend the Third World Conference on Muslim Education beginning today (Thursday).

The eminent scholars arrived on Wednesday are: Sheikh Ahmed Salah Jomjoom, Chairman of the Follow-up Committee, Dr Abdullah Omar Nasseef, President, King Abdul Aziz University Jeddah, Mr Hasan Dawood, Director Organisation of Islamic Conference, Dr Ahmed Mohiuddin Vice-Chancellor Allama Iqbal Open University Pakistan, Dr Wasiullah Khan United States, Mr Jusuf Amir Feisal, Dr Jurnalis Uddin and Prof H. Ahmed Saad Ali, all from Indonesia, Dr Zaglul Naggar University of Petroleum Dahran and Dr Kamal Al-Bakir, Dr Mohammad Jamil Khavat Dr Mohammad Ismail Zafer and Syed Khursheed Alam from the King Abdul Aziz University of Saudi Arabia.

CSO: 4220

JAMMAT CHIEF CALLS FOR ISLAMIC REVOLUTION

Dacca THE BANGLADESH TIMES in English 2 Mar 81 pp 1, 12

[Text] Mr Abbas Ali Khan, Acting chief of the Jamaat-e-Islami, Bangladesh on Sunday called upon the people to launch a movement in support of his party's seven-point programme for Islamic revolution to establish an Islamic republic in the country.

Addressing a public meeting at the Baitul Mukarram Square he also called for the movement for what he said to save the nation from authoritarianism and establish democracy.

Presided over by Mr Matiur Rahman Nijami Ameer of Dacca city Jamaat-e-Islami the meeting was addressed by Maulana A K M Yusuf, Deputy Amir of the party, Mr Shamsur Rahman, Secretary General and others.

Explaining the seven-point programme for the 'Islamic revolution' he said that it would be peaceful and constitutional to overcome the crisis plaguing the nation. He claimed there was no democracy, fundamental rights and security of people in the country.

The other features of the seven-point programme includes establishment of an administration with honest and sincere persons, safeguarding of the national independence and sovereity, introduction of Islamic economic, education and cultural system, restoration of law and order and separation of education and job for women.

Mr Abbas Ali Khan called for an independent foreign policy abrogating all unequal treaties including the 25-year treaty with India. He said that due to the unequal treaty with India it could occupy our island and deprive us of the Ganges water.

Maulana A.K.M. Yusuf said that the country was passing through crisis even ten years after its independence. It began with Sheikh Mujibur Rahman's socialism and one party authoritarian rule and nationalisation of industries which resulted in losses.

Maulana Yusuf further said that the independence and sovereignty was facing a challenge with India occupying our island, refusing to give us our share of the Ganges water. He also alleged that to keep the "big neighbour satisfied the

government had granted India 'corridor' to send troops to Assam through Bangladesh." He also said that "the BKSALites goes to Delhi to meet their deity and salutes her thrice" and the government pursued a policy of appeasement.

He called for learning from Afghanistan where the Muslim Mujahedins imbibed with 'Islacim spirit' [as published] fighting the Soviet aggressors. Maulana Yusuf urged the government to restore the citizenship of Professor Golam Azam.

Mr Shamsur Rahman called for upholding of Islamic values in education and cultural fields. He said that without Islamic education system the nation could not advance. He also called for accepting the demands of the primary teachers.

Mr Matjur Rahman Nijami criticised the government for the "Disturbed Areas Bill, 1980" and urged for its withdrawal.

CSO: 4220

MERGER OF FOUR PEASANT ORGANIZATIONS REPORTED

Dacca THE BANGLADESH TIMES in English 16 Mar 81 p 8

[Text] Bera (Pabna), March 15: Chairman of Ganotantrik Party Nurul Huda Mirza has said, "Sheikh Hasina was elected President of Awami League on the advice of Mrs Indira Gandhi," reports ENA.

Addressing the inaugural session of "Krishak Oikya Mohasammelan" of four peasant organisations here yesterday, Mr Nurul Huda said "a person taking political asylum in a foreign country cannot take part in the political activities of another country."

He cautioned the people against what he called "conspiracy of Delhi against our national independence and sovereignty." He criticised the Awami League leaders for their recent trip to New Delhi where they held meeting with the President of their party.

Criticising the government for allowing the Awami League leaders to go to New Delhi he accused it of "collaborating with the BKSALites."

CSO: 4220

FOREIGN OFFICE PROTESTS CALCUTTA DEMONSTRATION

Dacca THE BANGLADESH OBSERVER in English 5 Mar 81 pp 1,12

[Text] A Foreign Office spokesman on Wednesday described the activities of the so-called "Nikhil Banga Nagarik Sangha" of India as "thoroughly irresponsible" which he added were likely to prejudice the good neighbourly relations between Bangladesh and India, reports BSS.

The spokesman said this when his attention was drawn to a news item circulated by an Indian news agency which said that the Sangha had held a demonstration in front of the Bangladesh Mission in Calcutta demanding an area 20,000 square miles from Bangladesh territory.

Once before, he said our attention was drawn to the activities of the so-called Nagarik Sangha.

The spokesman said, "We have already drawn the attention of the Government of India to this matter as it is likely to prejudice the good neighbourly relations between Bangladesh and India."

"We feel, he said this kind of activities are thoroughly irresponsible and deserve to be treated with contempt." [as published]

CSO: 4220

PRESS SPECULATES ON MUJIB'S DAUGHTER'S RETURN

Return Legal

Dacca THE BANGLADESH TIMES in English 28 Feb 81 p 1

[Text] Mrs Hasina Sheikh Wajed who has been living in India with her husband since late 1975 can return to Bangladesh any time she likes with her Bangladeshi passport.

This was stated here by Information Minister Mr Shamsul Huda Chowdhury when asked to comment on the proposed return of Mrs Hasina from New Delhi.

He was talking to BSS at Kurmatola Airport after departure of President Ziaur Rahman for Jeddah on Friday morning.

Commenting on the properties; the Minister said that the law of inheritance was in operation in the country as such he added there will be no problem of her (Mrs Hasina) to take possession of the properties of her parents.

May Be Delayed

Dacca THE BANGLADESH TIMES in English 28 Feb 81 pp 1,8

[Text] New Delhi, Feb 27--Sheikh Hasina Wajed said here today that she would return to the country with her younger sister Rehana in the near future.

"We are definitely going back to Bangladesh though the time is yet to be fixed" the newly-elected President of the Bangladesh Awami League told RSS New Delhi correspondent.

She said the top Awami League leaders who came here from Dacca three days ago had talks with her on different matters including her return to the country.

"We two sisters hope to return together" Hasina said adding "we have not seen the country for a long time--it is terrible."

Hasina has been living with her husband and children here since 1975 while Rehana has been in London.

Asked whether they would be returning some time during the next month Hasina smilingly quipped "I leave it to your guess."

It appears that she would need some time to go back home.

The Awami League chief said she never liked living abroad but she had to do so for a long time under a "tragic and unbelievable circumstances."

Meanwhile the Awami League leaders continued their discussions with their newly elected party chief on political and economic situations in the country.

Most of the leaders today left for Ajmer for ziarat at the mazar of Hazrat Khawja Moinuddin Chisti (RA).

Dr Kamal Hossain was scheduled to leave for Dacca tonight Sheikh Hasina said discussions would continue after the return of the party leaders from Ajmeer.

In an interview with Indian news agency PTI Dr Kamal Hossain today accused the present Bangladesh government of "all round failure in the economic social and other fields."

"All democratic values are being eroded with the political suppression continuing in severe from" he said. [as published]

CSO: 4220

REPORT ON ESSENTIAL COMMODITIES CONTROL ORDER

Dacca THE BANGLADESH TIMES in English 2 Mar 81 pp 1, 12

[Text] The Government has promulgated the Essential Commodities Control Order, 1981, to ensure better and more effective control over prices and availability of essential commodities throughout the country.

The following have been included in the schedule of essential commodities, CI sheets (excluding defective, second hand and cuttings). GI pipes (all sizes) MS Rods (all sizes) MS billets, Nail Wire and Screws wire nail cement, textiles (cotton cloth and cotton yarn) gold (including gold in the form of coin, whether legal tender or not or in the form of bullion ingot or bars, whether refined or not and gold ornaments whether plain or engraved with pearls real or immitation stone), milks food (all types of milk food for infants, bulk or packet, all types of non-fat dried milk including condensed milk, all sorts of patent food, i.e. horlicks, ovaltine malted milk), cigarettes drugs and medicines (allopathic), washing and toilet soaps (mechanically manufactured), edible oil (mustard oil, soyabean oil, vegetable ghee), kerosene oil, paper and newsprint, electrical goods (radio and transistor, televisions up to 20 inches electric bulbs--excluding florescent lights--electric fans) dry cell battery, mechanically propelled vehicles, bicycle, safety matches, pulses, onion, chillies, salt and ginger. [para as published]

Under the order, published in the Bangladesh Gazette Extraordinary of February 9, "every importer, producer or dealer holding stock of scheduled articles" were required to declare to the Director of Market Intelligence and Enforcement within two weeks of the publication of the Order, "the place or places where the stock of such articles is kept or stored."

The order said that no importer, producer or dealer "shall keep any scheduled article in his possession or under his control without any document or receipt for such article and the importer, producer or dealer shall maintain records of all sales and purchases in such form as may be prescribed by the director of market intelligence and enforcement from time to time."

The Order empowers the Director to impose restrictions on the movement of any scheduled article within Bangladesh if and when required. Under the Order, the Director or any officer authorised in this behalf by the government may be notification in the official gazette fix in respect of any scheduled article (a) the maximum quantity which may at one time be possessed by a producer, importer or dealer and (b) the maximum quantity which may in one transaction be sold to any person. [as published]

Apart from these the Director General of Prices and Market Intelligence may by notification in the official gazette, fix the maximum price above which no importer, producer or dealer shall sell any scheduled article. Different prices of scheduled articles may also be fixed by the Director General for different localities or for different classes of importers, producers or dealers.

According to the Order, the Director-General may, for the purpose of eliminating undue profiteering and for the purpose of periodical check on the prices due to changed circumstances, call for the relevant data relating to import, production, price stock sales and price structure from the producer, importer and dealer and refix the price of scheduled articles.

Every importer, producer or dealer, says the Order will communicate to the Director General his intention of increasing the price of any of scheduled article for the latter's approval.

The Director of Market Intelligence and Enforcement, may also, in writing, direct any importer, producer or dealer to mark the price on the scheduled articles exposed or intended for sale and to exhibit in his premises a price list of such articles held by him.

CSO: 4220

GOVERNMENT TAKES STEPS TO BOOST EXPORTS

Dacca THE BANGLADESH TIMES in English 7 Mar 81 p 8

[Text] The Government has made some major changes in the export trade by expanding the number of items to 81 under Export Performance Licence (XPL) allowing maximum limit up to 60 per cent with immediate effect.

Announcing this at a press conference on Friday the State Minister for Commerce Choudhury Tanbir Ahmed Siddiky said that the measures had been taken in order to boost the export which faced short fall in the first seven months of the current fiscal.

The expanded XPL list included five new items while six new items had been added to import list which now went up to 114 to balance the impact of new measures under XPL, he said.

The measures also included flat rate introduction of "duty drawback" to ten major items, the Minister said.

Mr Siddiky said that the decisions were taken after reviewing the export trade of the country in consultation with the exporters and the business community.

Two Categories

The State Minister for Commerce said that now on there would be two categories of XPL: the minimum of 40 per cent and the highest level of 60 per cent. The original categories were 10, 20, 30, and 40 per cent.

Mr Siddiky said that those who would make shipment from Friday would get the benefits of the enhanced rates.

Moreover, he said, measures had been taken so that the exporters could get the XPL and transfer those in a minimum time. Replying to a question he said the main feature of the country's export policy was that it had been kept flexible. Therefore, he said, steps could always be taken to change the features of the policy to make it more dynamic.

5 New Items

Mr Siddiky said that five new XPL items were light engineering products, tortoise, electrical motor, electrical cable and machine made carpet of these 40

were included in the 60 per cent category and the remaining 41 in 40 per cent category.

The six items under import list included--commercial refrigerator, deep freeze live animal and bird (subject to the clearance by the Ministry of Livestock) commercial lift, water heater operated by gas and floor tiles. With these the number in the import list under the XPL had been increased to 120.

DDB System

Mr Siddiky said that although there was duty drawback (DDB) system in the export policy it was very complicated which subjected the businessmen to harassment. He said that a timely step had been taken in this regard by introducing flat rate of "duty drawback."

The Minister said that 10 major items were brought under the flat rate. These were: writing and printing paper, transparent paper, rayon yarn, newsprint, crushed finished leather, glycerine aluminium capsules, laundry soap and hard-board.

Export Increased

Replying to a question Mr Siddiky said that during the last July-January period of the current financial year goods worth Tk 700 crore were exported from the country. He pointed out due to the "unprecedented recession" in the world market, the export of the country had been affected seriously. However, he claimed that the export had increased both in volume and amount compared to the corresponding period of the preceding year.

He told another questioner that quality of Bangladesh exportables had improved due to the measures taken by the Government on quality control.

CSO: 4220

FOOD AID GRANT AGREEMENT SIGNED WITH BRITAIN

Dacca THE BANGLADESH OBSERVER in English 4 Mar 81 pp 1,12

[Text] A food aid grant agreement was signed in Dacca on Tuesday between Bangladesh and the United Kingdom for the year 1980, reports BSS.

Under the agreement, the British Government will provide 28 thousand tons of wheat to Bangladesh.

An official source said that the wheat would be used for the Food for Work Programmes of the government during 1980-81.

The agreement was signed by Mr M. Saadat Hussain, Joint Secretary, External Resources Division of the Ministry of Planning, and Sir Michael Scott, British High Commissioner in Dacca, on behalf of their respective governments.

Since liberation, the British Government has so far provided 1,71,000 tons of wheat as grant to Bangladesh under different food aid agreements the source said.

British High Commissioner in Dacca, Sir Michael Scott, said in Dacca on Tuesday that his government considered Bangladesh as a "priority country" for its aid and assistance programme.

Despite various strains, the High Commissioner said, the British Government would continue her aid programme to the various development activities of the country.

Sir Michael Scott told BSS that his country would also extend all possible help to Bangladesh in her needs in the Second Five-Year Plan.

Discussions between the two governments are in progress regarding British assistance to the second phase work of the Greater Dacca Electrification Project, he added.

The project, which is due to complete its first phase of work by 1983, would take up a massive scheme in the second phase.

Sir Michael Scott also spoke about the possibility of his country's participation in the drilling of oil and gas in different parts of Bangladesh.

CSO: 4220

NATION SELF-SUFFICIENT IN TOBACCO PRODUCTION

Dacca THE BANGLADESH TIMES in English 9 Mar 81 pp 1,8

[Text] Bangladesh has attained self-sufficiency in the production of cigarette-tobacco enabling the country to save about Tk 70 crore annually. Meanwhile efforts are underway to create an international market for the exportable surplus.

According to official statistics for past eight years, the successful implementation of a crash programme helped raise the production of cigarette tobacco from 7.7 million pounds in 1973-74 to 45 million pounds in 1979-80. This quantity is enough to meet the demand of 20 cigarette manufacturing units of the country, leaving a small quantity of exportable surplus.

During this period, per acre yield of cigarette tobacco also increased from 800 pounds to one thousand pounds.

With the increase in production of cigarette tobacco in the country, its import also quickly declined. In 1972-73, a total of 45 million pounds of raw tobacco was imported while the import came down to less than a half-a-million pound in 1978-79. This small quantity of raw tobacco was required only for blending purposes.

The locally produced cigarette tobacco is now valued at about Tk 70 crore at the prevailing import price which means that the country is saving the amount of foreign exchange.

Increased production has also raised the Government revenue income from tobacco. The Government earned only Tk 2.36 crore in 1972-73 as excise duty while the bill stood at Tk 132 crore in 1978-79.

Enough Scope

According to a spokesman of the Tobacco Development Board, which is responsible for implementing the crash programme, there is enough scope to raise the production further. He said that the total acreage for tobacco production was 1.30 lakh at present of which cigarette tobacco comprised nearly 35 per cent. Cigarette tobacco here include Virginia, WAF and Burley while other tobacco include Motihari, Jati, cigar types and some other varieties.

He said that tobacco other than cigarette and cigar types were generally used for preparation of several indigenous products like 'hooka tamak,' biri, jarda, snuff, kimam, gul, khaini, etc. There was scope to improve Motihari and other tobacco both in quality and quantity for which development schemes were being taken up he said.

Experiments reveal that production of cigarette tobacco can be increased at least by 50 per cent and that of other tobacco by 15 to 25 per cent with the use of good seed and application of improved techniques and better management.

It is estimated that due to spread of education and urbanisation, demand for cigarette will annually increase by five per cent and that of other products by two per cent as against annual population increase of 2.6 per cent.

The spokesman said that if the yield for tobacco could be increased as per estimation, not only that the increased local demand could be squarely met but also sufficient quantity could be made available for export. Besides, several thousand acres of land could be released from the existing tobacco area through intensive cultivation.

Export Prospect

There is great prospect for export of tobacco from Bangladesh which has ability to produce good quality tobacco at comparatively low cost. A land use survey conducted by an export of Food and Agricultural Organisation (FAO) indicates that Bangladesh has more than a million acres of land suitable for tobacco production. If export quality tobacco is produced in a small portion of this area and exported, a huge amount of foreign exchange can be earned.

The spokesman said that already a high nicotine tobacco, Motihari, had been exported to some extent during the last few years and efforts had also been made to create demand in foreign markets for virginia and other tobacco.

The spokesman said that the remarkable progress in the production of cigarette tobacco was made possible due to coordinated extension activities of the Tobacco Development Board, supply of necessary inputs including curometers and other barn house materials fixation of minimum prices etc. A large cigarette company also cooperated with the board and played important role in increasing tobacco production.

CSO: 4220

CAPTAIN REVIEWS ROLE OF BANGLADESH RIFLES

Dacca THE BANGLADESH OBSERVER in English 3 Mar 81 pp 7,9

[Article by Capt S. M. Amanullah]

[Text] The history of today's Bangladesh Rifles dates back to 1795 when the organization was named "Remgarh Local Battalion" whose cardinal mission was to defend Ramgarh locality. Through this presumably unhistoric origin the stream of history of this force rolled on amidst much ups and downs and upheavals which contributed new attirements to it at each step. Though mundane sight perceives the gradual muscling of BDR but in those days of its infancy it was all skin and bone. The name of the organization has not only under gone changes with the passage of time but also its role, dress, equipment, arms and altogether training have markedly taken a changed shape which is eye-catching. My venture in this article is to put forward in brief the multiple role of present day BDR.

The mention of the role of BDR or erstwhile EPR specially before 1971 and during War of liberation, I suppose, would be a time killing repetition of the golden legend of history with which this force is well-clad and well-ornamented. Yet to facilitate our perfect observation in the following paragraphs, we can have a small glimpse of it. It is unequivocally an acknowledged fact that BDR personnel following the foot prints of the valiant tiger of Bangladesh Army pioneered the cause of our liberation struggle with all the ingredients and dualities of a true roaring Royal Tiger whose wandering land was also their mother land for the cause of whose chastity, safety, sovereignty and liberty they took up arms with a mighty fist against the heinous Pak Army. Their geographical location at various border posts added advantage to their mission. Being imbibed with dedication and patriotism they faught [as published] shoulder to shoulder with the people of this country. They shed a good quantum of blood of their well-broadened chest by embracing the lively bullets of the enemy with a smiling face in a face to face confrontation. Liberation of Bangladesh came having bathed in their fresh sea of blood. Thus the history of BDR is steeped into valour, honour, dedication and patriotism.

The EPR of erstwhile Pakistan were posted to various border out posts chiefly to check smuggling. Since this was the well-concerned mission given by the then authority to them the imparting of training was also as per that scale and requirement. Mission though a noble and noteworthy one, yet since it was only

one broadly speaking, the dynamism of this force was lacking and as such the country was deprived of some other beneficial services which could have been rendered by this force. But the root of all motives--the colonial attitude and bent of mind--made the then rulers shaky for their prolific responsibilities. However, the same force after our independence being property planned, thought of their utility in multiple fields of national importance, has been reorganised and entrusted with newer responsibilities of greater magnitude. The result of it as we see is quite promising and encouraging for our nation. The following are the multiferious responsibilities shouldered and executed by the members of this prestigeous force presently. [as published]

Anti-Smuggling

Like the by gone days, the age-old responsibility of putting a dead stop of the heinous smuggling still hinges singlely on the shoulders of BDR personnel. In our country the smuggling is beset like a contageous disease in the organism of our society. [as published] Its total eradication and extinction is indeed a hurculean task. [as published] Smuggling though a great crime yet some self seekers and non patriotic men of our country do not hesitate committing this crime and as such the national wealth is smuggled to our neighbouring country. BDR personnel are all active and ever watchful round the clock in their anti-smuggling duties. Very often they arrest people with the smuggled goods and they are published in our national dailies. This proves, beyond and doubt, [as published] their sincerity to job service and trust the nation has reposed on them. In the recent past in Rajshahi Sector in one single seizure an amount of 1,34,49,476/- of smuggled goods were seized. One Sepoy Rakibul Hossain of 21 Rifle Battalion seized smuggled gold worth Taka 18,2,000/- at the risk of his own life.

Thus in anti-smuggling drive the BDR personnel are like the over alert tigers on the border Away from kith and kin, home and family, the dedicated personnel of BDR pass their days in the respective fields of responsibility always with eyes open. [as published] They revolve to their mission round the clock. Much is yet to be done. For the total eradication of smuggling from the core of our society, an all our effort from the common mass is a necessity, because only the villagers know the real culprits. In a land of 2730 miles extended area of our border with India, Burma and the Bay of Bengal, the major portion of which run through the plain land having no natural barrier, to guard this vast area against smuggling requires sufficient forces with arms, good communication system and above all the valued cooperation of the native villagers. Every year BDR personnel seize materials meant for smuggling. Here below goes a picture:

Year	Total amount of smuggled goods seized	Total number of smugglers arrested
1976	1,24,67,985.45	4,630
1977	1,38,64,606.54	5,044
1978	2,02,84,520.69	5,929
1979	3,68,12,716.76	6,500
1980	8,22,65,129.10	2,910

the corperation of the general mass with the formation of anti-smuggling squad at grass root level from the native villagers will help the BDR personnel acting more effectively in its mission of anti-smuggling drive.

Infiltration

Since 1971 and specially after 1975, the BDR personnel are engaged in a job against the infiltrators across the borders.

This is again a very tough job. The infiltrators coming across the border create law and order situation at various places along the border belt through their anti-government and mischievous deeds harmful for the national progress and prosperity. In those days of post 1975, these infiltrators being occasionally backed by some of the black sheep of our soil tried to become very active along all the borders. In many places the valiant BDR personnel had to fight them out and push them back. The success achieved is because of their constant watch and good amount of training to their credit. They are accomplishing the task most effectively. However, to fight against the infiltrators is indeed a tough job and its first thrust comes to BDR personnel as because they are the vanguard of our defence in the border. Thus BDR personnel are entrusted with and engaged in the duty of driving out the infiltrators nay nipping the act of infiltration in the bud.

Border Protection Demarcation

Border protection is another important responsibility thrown to the shoulders of BDR personnel. Since ours is a land border encircled by two countries--India and Burma--the former one having the major portion of it and the latter a small one, we have much disputed borders. Our BDR Jowans are sleeplessly engaged in this duty. The recent happenings at various disputed border posts like Muhurir Char, Bashiharlar Char, Dahgram, Asalong, Lathitilla etc are the glaring examples of the heroic deeds of our men. Our men are ever alert in these zones. Besides our men are working day and night amidst thick forest for a border demarcation line with Burma along with the people of Bangladesh Survey teams. For their glorious role in border protection this organisation has won 5 Bir Bikram 5 Bir Protik medal to their credit.

Prevention of Border Crimes

BDR as a force performs the duty in the far flung border of our country by preventing the border crimes like decoity, looting, arson, murder etc. In the border belt these crimes are very common and the common people become victim to the miscreants and anti-social elements. BDR personnel are their only hopes for their protection against these elements. Because of the proper check and alertness to duty, BDR personnel have been successful in gaining confidence of the people in the far off border areas and eliminating these social crimes. With the cooperation of villagemen. [as published]

Thus BDR plays a dominant role in maintaining law and order in the country specially in its far off places. Not only this away from the madding crowd in the remote in accessible places of our country, our BDR personnel represent

Government authority and are the custodian of our border. They resist border dacoity and loting and committance of other crimes. [as published] The miscreants across the border very often in the harvesting season snatch away our producer's hard earned products. It is only the BDR personnel in these far flung area who come to their rescue and prove their best friends.

Participation in Nation Building Activities

Beyond the scope of the normal routined duty and responsibility, the personnel of BDR participate in any nation building activity like canal digging removing of literacy and planned parenthed. [as published] Since theirs is a life which has a touch with the common folk of the society, in their motivation lectures they project the need of the correct implementation of the programmes taken by Government for a welfare state. Both in the frist and second phases of President Zia's peaceful revolution, the BDR personnel have kept their glowing contribution. [as published] They have successfully proved that BDR is not only a force for war time only, it can very effectively contribute toward the prosperity and development of a nation during peace time. Thus accomplishment of these varied jobs has earned reputation and BDR as a force is highly esteemed and revered by the country men. They have won the trust of the country men through their deeds which exemplify their existence nay their importance in the role of para-military forces in the context of Bangladesh. A force of varied abilities under various circumstances is indeed a pride for a nation and the coronation of BDR with this connotation is quite legitimate and appropriate.

In Aid of Civil Power

Like the participation in Nation building activity, the role of BDR in aid to civil power is laudable. The devastating cyclone of 1969 and flood of 1980 remind us of their tireless working for humanity. Not only this, in times of any natural calamity like flood, cyclone, and wide spread of pox, cholera, etc BDR personnel have been found coming to the proximity of distressed humanity. Thus they win their hearts through their selfless service and glorification of their service springs from their sense of patriotism, dedication and sound training. Moreover in any extreme case of law and order situations arising out of strike, labour unrest, riot in the country, this force on call from civil authority has extended all aid and proved their efficiency.

The Period of Emergency

In times of emergency the BDR personnel work under command of army. They fight as a para-military force. Training policy of BDR is recast and training pertaining to army need and requirements being presently imparted to BDR personnel to derive the best out of them in times of crisis and emergency.

Thus distinctly multidimensional is the role of present day BDR. Though the presence of main ancestoral blood is traceable in its components yet the newer ingredients have yielded the organisation a physique with a sound structure quite fit for shouldering multi responsibilities and in whose execution enshrines the real essence of the force. A force specially a modern one is no good if dearth of dynamism. Present day BDR is more dynamic and is quite fit for fulfilling aspirations of the nation. Let the flag of Bangladesh Rifles flitter atop in the air in all times to come with more glory and dignity.

REPORT ON RURAL HOUSING SITUATION RELEASED

Dacca THE BANGLADESH TIMES in English 17 Mar 81 pp 1,8

[Text] About 30 percent of the rural families in Bangladesh do not have their own homesteads; they live in 'ezmali' (jointly owned), mortgaged or rented homesteads.

In most of the homesteads (63.3%) built-up area is inadequate (below 2000 sft) compared to the average size of the families (6.5 members). This causes overcrowding and affects the quality of life and living in a rural homestead.

These are some of the findings on main problems affecting the rural housing scene in Bangladesh contained in a report based on a field survey and study carried out by housing and environmental research cell of Bangladesh University of Engineering and Technology and Building Research Institute of Bangladesh.

The study report finalised in June 1979 was available at the regional workshop on transfer of rural housing technology which began in Dacca on Monday.

The survey report showed that 80 per cent of the rural house structures are of kutcha construction of temporary nature and most of these (68.3%) are of physical conditions which may be described as moderate to poor.

While 31 per cent of the homesteads have no latrine facilities only about 14 per cent of the homesteads possess [word illegible] latrines. The rest of the homesteads (55%) have what can be described as kutcha latrines coupled with this about 70 per cent homes do not have any drainage facility, the study showed.

For a solution of the rural housing problems in Bangladesh the study called for declaring rural housing as one of the top priority areas in the national development scene, projection of needs of rural housing by the political leadership, press and media, generating interest and ideas on the issues concerning rural housing through seminars and workshops and undertaking pilot projects on rural housing for demonstration purposes.

It also suggested to set up a rural house building finance corporation, regional rural housing boards, rural housing cooperatives and building materials bank to encourage and facilitate initiative in rural housing.

The root causes of rural backwardness in Bangladesh were identified as perpetuation of wide socio-economic and political disparities among the social groups through generations, mass poverty, poor literacy rates, depressing socio-economic and environmental conditions.

The report further pointed out that "the absence of any effective machinery for planning guiding and controlling development and growth of rural settlements in Bangladesh is contributing to the chaos confusion and progressive deterioration of the built environment in the rural habitat."

On possible solutions to the problems the study outlined the need for measures for economic upliftment of the conditions of the rural populace through increased production, better employment opportunities and motivation for hard work and enhanced earnings and savings.

It called for increasing agricultural yields support to the marginal farmers, redistribution of land decreasing the present ceiling of 100 bigha encouragement to formation of rural capital and emphasis on training upgrading and extension to achieve the increased production and introduce new income generating activities.

CSO: 4220

BRIEFS

GRANT FROM AUSTRALIA--Australia will provide Bangladesh a grant of 1.6 million Australian dollars (Taka 3 crore) in the current fiscal year under a Memorandum of Understanding signed in Dacca on Friday, reports BSS. The grant would be used for import of industrial raw materials, construction materials, agricultural inputs and equipment, mainly C.I. Sheet spares for deep tubewells etc. The memorandum for the grant, known as Development Import Grant (DIG), was signed by Mr Mohammed Ali, Joint Secretary, External Resources Division and Mr Mack Williams, Australia High Commissioner in Bangladesh, on behalf of their respective governments. [Text] [Dacca THE BANGLADESH OBSERVER in English 28 Feb 81 p 1]

PRC AID FOR MILL--The China National Complete Plant Export Corporation will supervise the erection preproduction and start-up of the machinery of the under-construction Sundarban Textile Mills, according to a BTMC Press release on Friday, reports BSS. An agreement to this effect was signed in Dacca on Wednesday between the Bangladesh Textile Mills Corporation and China National Complete Plant Export Corporation for technical assistance. The Chairman, BTMC and Mr Fan Tiangui, Economic Counsellor of the Chinese Embassy in Bangladesh, signed the agreement on behalf of their respective organisations. The machinery of the Sunderban Textile Mills was procured under Bangladesh-China economic and technical cooperation agreement. [Text] [Dacca THE BANGLADESH OBSERVER in English 28 Feb 81 p 1]

UNIVERSITY VICE CHANCELLOR--Dr Makbular Rahman Sarkar, an eminent scientist, took over the charge of Vice-Chancellor of Rajshahi University on Friday, reports BSS. Prior to this new assignment Dr Sarkar was Professor of Applied Physics and Electronics of Rajshahi University. [Text] [Dacca THE BANGLADESH OBSERVER in English 28 Feb 81 p 1]

CANADIAN AID FOR RAILWAYS--Chittagong, Feb 27--The Bangladesh Railway will receive 60 million dollars technical and economic assistance from Canadian International Development Agency (CIDA) for implementation of its various development projects. According to the Bangladesh Railway an agreement to this effect has already been finalised between the governments of Bangladesh and Canada. The Bangladesh Railway under this agreement will receive the entire assistance in kind. The assistance will also cover the consultative service charge and salary of foreign experts. [Text] [Dacca THE BANGLADESH OBSERVER in English 28 Feb 81 p 3]

CALL FOR SOVEREIGN PARLIAMENT--The Democratic League central committee in a meeting that concluded on Friday in the city reiterated its call for election of a sovereign parliament. The meeting in a resolution criticised the government for its failure to elect a sovereign parliament as demanded by the DL Chief Khondker Moshtaque Ahmad. The DL central committee, having very carefully analysed the overall situation in the country resolved that the only way to achieve the people's charter now is a mass movement." The central committee called for "constructive and constitutional movement." The meeting unanimously decided that the outline of the movement would be finalised at the ensuing council meeting of the party. The meeting strongly criticised the government for what it termed the five years of 'misrule' which has resulted in the accumulation of countless problems in national life. The meeting also censured the government for its foreign policy. [Text] [Dacca THE BANGLADESH TIMES in English 28 Feb 81 p 8]

NEW PEASANT ASSOCIATION--Formation of a new peasant organisation namely Bangladesh Khet Majoro Krishak Federation (BKKF) was announced in Dacca on Saturday reports BSS. Announcing the formation of BKKF at a Press conference Mr Mainuddin Ahmed said that it would organise exploited and oppressed peasants in the country for their emancipation through a socialist revolution. The BKKF would also act as a front organisation of Bangladesher Samajtantric Dal (BSD). [Text] [Dacca THE BANGLADESH OBSERVER in English 1 Mar 81 p 16]

SAUDI ECONOMIC AID--The Saudi Development Fund has agreed to increase its contribution to Tk. 127 crore for the Tk 709 crore Chittagong Fertilizer Project. According to a Press release by Bangladesh Chemical Industries Corporation Asian Development Bank is providing major portion of the Tk 439 crore foreign currency need for the proposed fertilizer factory. Meanwhile preliminary works of the project based on natural gas from Bakhrabad field are in progress. When completed the export oriented factory will produce 5.1 lakh tons of fertilizer annually. [Text] [Dacca THE BANGLADESH TIMES in English 1 Mar 81 p 8]

JUTE TO ZIMBABWE--Bangladesh Jute Mills Corporation concluded a deal on Tuesday with Zimbabwe for supply of jute goods worth Tk 7.73 crore, according to a Press release of BJMC, reports BSS. This is the first relationship with Zimbabwe for direct sale of jute goods by BJMC. With the inclusion of Zimbabwe BJMC's jute goods market is now expanded to 51 countries in Africa alone, the Press release said. [Text] [Dacca THE BANGLADESH OBSERVER in English 4 Mar 81 p 1]

INDIAN FIRM'S OFFER--The Ashok Leyland Ltd, an Indian firm manufacturing commercial vehicles, engines and parts made an offer on Tuesday to the Bangladesh Steel and Engineering Corporation for joint venture. Addressing a press conference at a local hotel, the General Manager (marketing) of the enterprise Mr J. O. Eapen said that the offer included commercial vehicle technology ably supported by its research and development capabilities; for progressive manufacture of vehicles in Bangladesh. The Ashok Leyland Ltd is participating in the week-long Indian Engineering Trade Fair now being held at the Shilpakala Academy premises. [Text] [Dacca THE BANGLADESH TIMES in English 4 Mar 81 p 8]

GREETINGS TO GHANA--President Ziaur Rahman has greeted Dr Hilla Limann President of the Republic of Ghana on the occasion of the Independence Day of Ghana, reports ENA. In a message sent to Dr Hilla Limann, President Zia said on the auspicious occasion of the Independence Day of the Republic of Ghana on behalf of the government and the people of Bangladesh and on my own behalf wish to extend to Your Excellency, the government and the people of Ghana our warm greetings and hearty felicitations kindly accept Excellency my best wishes for your personal health and happiness and for the continued peace progress and prosperity of the friendly people of Ghana." [Text] [Dacca THE BANGLADESH OBSERVER in English 6 Mar 81 p 1]

PLANNING COMMISSION MEMBERS--Dr Abul Hossain Sahadatullah and Mir Abu Ahmed Ataul Haque Khandker have been appointed Members of the Planning Commission, says a PID handout. Both Dr Sahadat Ullah and Mr Khandker were Division Chiefs of the Planning Commission and bring in long experience in Planning and Economic profession. [Text] [Dacca THE BANGLADESH OBSERVER in English 6 Mar 81 p 3]

ALBANIAN AMBASSADOR--Mr Jonus Mersini, Ambassador-designate of the People's Republic of Albania, on Saturday presented his letter of credence to President Ziaur Rahman at Bangabhaban, Dacca, reports BSS. While presenting the credentials, the Ambassador said during his tenure of office here he would endeavour to further strengthen the existing ties of friendship between Bangladesh and Albania. He hoped that he would receive full cooperation from Bangladesh in this respect. President Zia assured him full support to his mission during his stay in Bangladesh. [Text] [Dacca THE BANGLADESH TIMES in English 8 Mar 81 p 1]

PRC ECONOMIC TEAM--A two-member team of officials from the Ministry of Economic Relations with Foreign Countries, People's Republic of China reached Dacca on a five-day study tour. The study tour has been arranged under a UNFPA programme to familiarise the Chinese officials with the population programme undertaken by Bangladesh. During their stay, the Chinese team will visit several population programme areas and meet senior Government officials and UN agencies. The team members will also call on the Minister for health and Population Control Professor M.A. Matin. The members of the team are: Mr Ye Yung Ge, Chief of Third Division of Sixth Department, Ministry of Economic Relations with Foreign Countries and Mr Yao Wen Long, official of Sixth Department of the same Ministry Government of the People's Republic of China. [Text] [Dacca THE BANGLADESH OBSERVER in English 11 Mar 81 p 12]

MESSAGE TO MAURITIUS--President Ziaur Rahman expressed his firm conviction that the bonds of friendship and cooperation so happily existing between Bangladesh and Mauritius would be further strengthened and consolidated in the years ahead, reports BSS. In a message to Sir Dayendranath Burrenchobay, Governor General of Mauritius on the occasion of its Independence Day, the President said, "on behalf of the people of Bangladesh and on my own behalf, I wish to extend to Your Excellency our heartiest greetings and felicitations on the happy occasion of the Independence Day of Mauritius. It is my firm conviction that the bonds of friendship and cooperation so happily existing between our two countries will be further strengthened and consolidated in the years ahead. Please accept Excellency, my very best wishes for your personal health and happiness and for the continued progress and prosperity of the friendly people of Mauritius. [Text] [Dacca THE BANGLADESH OBSERVER in English 12 Mar 81 p 1]

MIZORAM CROSSING DENIED--No Bangladeshi national illegally crossed into the Indian state of Mizoram and therefore there was no question of their being pushed back into Bangladesh, reports BSS. This was stated by a spokesman of the Ministry of Home Affairs when his attention was drawn to a news item broadcast by all India Radio in its 8-40 a.m. bulletin of March 11 quoting Mizoram Chief Minister about alleged infiltration of Bangladeshi nationals in Mizoram and their pushing back to Bangladesh. The spokesman termed the contents of AIR news story about the alleged infiltration as completely baseless and without any foundation whatsoever. He said no Bangladeshi had illegally crossed into Mizoram and, therefore there was no question of Bangladeshi nationals having been pushed back from that territory. [Text] [Dacca THE BANGLADESH OBSERVER in English 13 Mar 81 p 1]

AIR FARE INCREASE--Bangladesh Biman has decided to raise its fare on the domestic routes by 25 per cent. The new fare will be effective from Sunday. A Biman Press release said that the fare hike was necessitated due to further increase in the price of fuel. The Biman Press release said that it would continue to provide subsidy in the domestic routes and would offset the loss from the profit in the international routes. Following are the revised fare structure: Chittagong Cox's Bazar Tk 113, Chittagong Jessore Tk 432, Dacca-Chittagong Tk.-357 Dacca Jessore Tk. 238, Dacca Saidpur--Tk 307 Dacca Sylhet--Tk 296 and Dacca Ishurdi--Tk 182. The rate of the return ticket will be the same. [Text] [Dacca THE BANGLADESH OBSERVER in English 13 Mar 81 p 1]

CSO: 4220

STRONG PUSH FOR INCREASED TRADE WITH JAPAN

Kuala Lumpur BUSINESS TIMES in English 20 Mar 81 p 6

[Article by Sumanta Banerjee in New Delhi]

[Excerpts]

ALARMED over the protectionist trend in the West, India is casting its bet on Japan as a major outlet for its export products.

The visit by a number of Japanese business delegations here in early December last year has helped both sides explore new trade avenues, particularly the possibility of joint-ventures in priority development areas like oil exploration and the better utilisation of coal as an energy source.

India's strong push to step up its trade with Japan comes at a time when New Delhi is enjoying a favourable trade balance with Tokyo, and recriminations are beginning to swell on both sides.

Japan is concerned over its expanding trade imbalance with India and government trade curbs; India, on the other hand, is apprehensive that unrestricted activities of Japan's trading firms would result in a major Japanese economic influence on the country.

In 1970, Japanese imports of Indian goods amounted to US$390 million as against Indian imports of only US$103 million. In 1979, Japan's imports rose to a record US$1,053 million to India's US$780 million.

The upsurge in Japan's imports from India in 1979 was due mainly to India's successful export efforts which Japan, despite its much-vaunted trade offensive, has failed to match.

Also contributing to the increase in the value of Japanese imports were steep increases in the price of prawns, iron ores, jute and tea — India's main export products to Japan.

In a bid to improve Japan's trade performance in India, Tokyo is calling on New Delhi to diversify its export list and allow greater elbow room for Japanese participation in joint-ventures.

At present, there are 513 bilateral trade collaboration agreements, the bulk of which is technical in nature.

But Japanese businessmen are simply unsatisfied. They want to operate along the lines of *sogo shoshas* trading firms. These firms operate on an integrated basis and their products range from textiles, chemicals, machinery to industrial plants.

Japan's determination to expand its trading activities in India is matched only by India's concern over the activities of the *sogo shoshas*.

Indians have expressed concern over the "unconventional styles" of Japanese trading firms to overcome bureaucratic delays and get things done the way they would want it.

These "unconventional styles" presumably include bribing people who matter.

Similarly, the Japanese are openly vocal over Indian restrictions on their trading activities. They claim that under the laws of India, Japanese trading firms cannot operate like *sogo shoshas* simply because of the legal limits imposed on their activities.

Moreover, India is worried that its favourable trade balance with Japan may not last long because of Japan's decision to import less products from India.

In fact, Japan's imports from India in 1979 represented less than one per cent of its total imports that year.

Indian officials claim that the slowdown in Japanese imports of Indian products could be explained by the fact that India's main export items were only iron ores and prawns, while other countries offered a long shop list for the Japanese consumers.

But the decline in Japanese imports of Indian products is undeniable. In 1970, Japanese imports of Indian iron ores constituted 16.5 per cent of Tokyo's total import of the commodity. In 1979, this slumped to 12 per cent, and a further decline is indicated for 1980 and this year.

India's exports to Japan peaked in 1974 when India's share of Japanese imports rose to 20 per cent. But since then, India's share of the Japanese market for prawns has declined steadily as Australia, China and Thailand went into production of the food item.

Faced with these disturbing trade prospects, and eager to develop Japan as a major trade partner as a buffer against Western protectionism, India may yet decide to lower trade barriers that have prevented Japanese trading firms in the same lenient atmosphere they are enjoying in other countries, particularly the developing ones.

Many Indian businessmen hope that the Japanese wish would not be realised, but economic imperatives for the country may prove too difficult to be overshadowed by nationalistic passions. — Depthnews Special

CSO: 4220

TRADE, ECONOMIC COOPERATION WITH SOUTHEAST ASIAN COUNTRIES

Kuala Lumpur BUSINESS TIMES in English 27 Mar 81 p 2

[Text]

SINGAPORE, Mar. 26

INDIA is expanding the export of engineering goods to South-East Asia to balance increasing trade in raw materials from the region.

Export of engineering goods to the region rose to US$223.8 million in 1979 from US$2.2 million in 1967, regional manager of the Engineering Export Promotion Council of India, Mr S. Jagadeesan said.

Mr Jagadeesan, who is based in Singapore, said that India hopes to sell engineering goods worth US$288 million in 1981.

Products like the Indian-made Tata trucks are assembled in Malaysia and Indonesia while Tata coaches are being sold in Singapore.

The Tata group has set up a servicing and spare parts centre in Singapore to meet the needs of customers in this region, West Asia, Africa and Eastern Europe where Tata trucks are sold.

Indian-made agricultural diesel engines, irrigation pumps and other agricultural machinery are sold in Thailand, Malaysia and Indonesia.

Machine tools, electrical machinery, motor spares, hand tools, cutting tools for the metal industry, wire rope, bicycle spares, and scientific instruments are some of the items that have found markets in South-East Asia, Mr Jagadeesan said.

However, he said, India was now keen to export capital goods to meet the needs of the region, which is undergoing rapid economic development based on industrialisation in addition to modernisation of its agriculture.

He cited the case of Baharat Heavy Electricals which boldly secured two contracts in keen competition to design, build and commission to power stations costing about US$400 million from Malaysia in recent years.

The first power station has been completed but the second is still under construction in Pasir Gudang in Johore State.

Indians are willing to construct, improve, extend or merely maintain existing railway lines and rolling stock. Two companies are currently bidding for contracts in Indonesia and Malaysia, Mr Jagadeesan said.

They are also on the look-out for contracts to build bridges, roads major or minor, irrigation dams and power stations in the region by using their accumulated experience gained since India become independent from Britain in 1947.

Famous industrial groups like Mafatlall, Tata, and Birla have set up joint ventures using Indian machinery to produce textiles in Malaysia, Indonesia and Thailand. Others have sold Indian made sugar plants to Malaysia and Indonesia, while a US$50 million cement plant contract in Indonesia has been recently secured by an Indian firm.

There are many successful joint ventures in every South-East Asian country, Mr Jagadeesan said.

Some of the major business houses, whose expansion has been curbed by the Monopolies Commission in India, are making greater efforts to set up joint ventures to manufacture an assortment of consumer and industrial products in the region.

For example, Birla group has been quietly negotiating with Malaysian officials for the past three years to set up a paper plant costing about US$400 million. A suitable site has been found in East Malaysia.

Besides selling capital goods, growth in the export of engineering goods would also minimise imbalance in trade between India and South-East Asia.

India is Malaysia's major market for palm oil, taking about 400,000 tons last year. Indonesia exports fertilisers, paper, cement and palm oil while Thailand sells an assortment of beans, polyester fibre and tungsten ore. The Philippines export coconut oil and Singapore steel pipes for oil exploration and re-exports Malaysian palm oil as well.

Total Indian exports to Singapore in 1979 amounted to US$104.6 million while Singapore's exports totalled US$234.4 million to give the island a trade surplus of US$129.8 million. Export of engineering goods to Singapore in 1979 rose to US$21 million from US$14.3 million in 1975.

However, Indian export to Thailand rose to US$371.1 million in 1979 from US$165.9 million in 1975 while Thailand's exports to India fell to US$207.8 million from US$357.1 million. — AP.

CSO: 4220

BRIEFS

ARMY RECRUITING PROGRAMME--The Peshawar Recruiting Centre of the Army has announced next fortnight's recruitment programme for the territories under its Peshawar, Kohat and Dera Ismail Khan Zone Branch Offices. In addition to the regular recruitment that takes place at all three Branch Offices daily, recruitment parties will visit various places to enlist young men for the Army according to the following programme: The recruitment on April 5 will take place at Dak Bungalow Mardan, Police Station Shakardara and Govt High School Ghazni Khel; on April 6 at Dak Bungalow Bannu; on April 7 at Dak Bungalow Sarai Naurang; on April 12 at Union Council Rustam, Dak Bungalow Hangu and Town Hall Laki Marwat; on April 13 at Police Station Kalu Khan, F.G. Public School Thal and Dak Bungalow Kala Bagh; on April 14 Dak Bungalow Isa Khel; on April 15 at Police Station Katlang and F.C. Post Spina Thana. [Text] [Peshawar KHYBER MAIL in English 1 Apr 81 p 4]

CSO: 4220

U.S. POLICY ON AFGHAN, PALESTINIAN PROBLEMS 'TWO-FACED' SAYS MP

Jakarta KOMPAS in Indonesian 12 Mar 81 p 12

[Text] H.M. Amin Iskandar, head of the Indonesian-Afghan Peoples Solidarity Committee, said he gladly welcomes U.S. President Ronald Reagan's plan to send arms to the Afghan rebels. In his statement to the press at the parliament building Wednesday, Iskandar, who also is a member of parliament's 1st Commission (foreign affairs, defense and security, and information), said it would be regrettable if sending arms is the only alternative for helping the Afghan people. The most desirable solution, of course, is a peaceful, political one, as advocated in the 1980 UN resolution, the Islamic Conference Organization summit at Ta'if in January and the resolution of the Nonaligned Foreign Ministers Conference at New Delhi in February.

"Actually, in light of all these developments," said Iskandar, "the Soveits still have an opportunity to improve their international image over their action in Afghanistan. In particular, the Soviets should demonstrate good faith in their own 2 th Party Congress motto: 'Toward World Peace.' What I mean is that the USSR should pull back from Afghanistan and let the people of that country settle their own internal affairs."

Iskandar believes the sending of U.S. aid to the Afghan guerrillas will not add to the tension in that region. Even if opposition to the Karmal regime gradually intensifies, he said, that is only right for a people struggling for freedom.

Tensions will rise further if the Soviets increase their forces in the area in order to maintain their position. If the Soviets really desire world peace, as the party congress slogan indicates, then they must immediately withdraw all of their forces from Afghanistan. So stated Amin Iskandar.

In another matter, Iskandar criticized Reagan's position that allows the Palestinian freedom fighters to be called "terrorists." This is an unrealistic position, according to Iskandar, because the Palestinian people, led by the PLO, are engaged in a holy struggle to regain their territory.

"Based on their position toward the Palestinians on the one hand and the Afghan rebels on the other, clearly the Americans are being two-faced," said Iskandar.

Asked about the meaning of Reagan's willingness to send arms to Afghanistan, Iskandar said that it simply means the implementation of the U.S. government's basic policy of confronting Soviet expansionism all over the globe. In fact, he said, their action to aid the Afghan people is no more than the formalization of what has been done quietly all along.

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CSO: 4213/56

'ENERGY PLANTATION' PLANNED

Jakarta KOMPAS in Indonesian 12 Mar 81 pp 1, 9

[Excerpt] Prof Dr Samaun Samadikun, Energy Director General of the Department of Mines and Energy, said that Indonesia is going to establish an experimental "energy plantation" as one means for developing renewable sources of energy. Samadikun made the announcement at a press conference in Jakarta Wednesday at the close of aFrench-Indonesian seminar on "Mobilizing National Resources for Energy Development."

Samadikun said that according to the plan, the energy plantation is to be an expanse of land of about 300 hectares, which should be able to produce 1 megawatt of electricity. Plantation operations are to be tied to a reforestation program in which timber will repeatedly be cut and replanted.

At specified times one-fifth of the plantation's trees will be cut and burned in the furnaces of the Steam Energy Electric Center. Although a wide expanse of land definitely will be needed to run the plantation, Samadikun said, this is not a problem, because plantation operations are to be tied to the reforestation program. One study currently being conducted tries to reconcile timber maturation time with timber consumption. Of the 20 kinds of trees suggested for planting in the energy plantation, kaliandra will probably be used. Locations presently being considered for the plantation are South Sumatra of Irian Jaya.

At the close of the seminar an agreement was also reached on French-Indonesian cooperation in the field of energy planning that covers conservation and development of oil, natural gas, coal, nuclear energy, water power, geothermal energy, solar energy and biomass productivity.

The memorandum of cooperation was signed by Energy Director General Samadikun representing Indonesia and Energy and Raw Materials Director General Wissocq from France's Department of Industry.

The agreement constitutes the end product of the seminar, which was attended by government employees, university groups and private concerns from the two nations.

In his statement to the press at the close of the meeting, Samadikun, accompanied by Wisnoeq, said that Indonesia would avoid using oil to generate electricity. Instead, other sources like geothermal energy, nuclear energy and coal, and renewable resources like wood will be developed as fully as possible. Concerning nuclear energy, Samadikun said that Indonesia has yet to discover domestic uranium reserves in its joint explorations with the French. "Because the ore will have to be imported," he said, "we are faced with difficulties."

In any case, according to Prof Baiquni, who was attending the seminar, there will come a time when Indonesia will be forced to use nuclear energy in addition to coal. Preparations for that time are to be made, among other things, by building a test reactor at Serpong and by searching for uranium.

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CSO: 4213/56

JAPANESE LNG PURCHASES, LOAN FOR UREA PLANT

Kuala Lumpur BUSINESS TIMES in English 31 Mar 81 p 20

[Text]

TOKYO, Mar 30

JAPAN has given a soft loan to Indonesia totalling 13.23 billion yen (US$63 million) for the Asean urea fertiliser plant in North Sumatra, the Foreign Ministry announced here today.

The loan, with an interest rate of 2.5 per cent per annum over 25 years including a seven-year grace period, is in addition to the loan of 33 billion yen (US$157 million) extended in 1979 for the project, it said.

The contract for building the plant, the total cost of which is now estimated at over US$400 million, was awarded to Japan's Toyo Engineering Company late last year, industry sources said.

Urea fertiliser from the plant, the first of five Asean industrial cooperative plants, will be distributed among Asean countries, they said.

Two Japanese power companies also said today they have jointly agreed to import a total of 3.3 million tonnes of liquefied natural gas (LNG) annually from Indonesia over 20 years beginning 1984.

In a joint announcement, Tokyo Electric Power and Tohoku electric power companies said they would shortly sign a formal contract with the Indonesian state-run oil corporation, Pertamina.

They did not disclose the import price for the Indonesian gas but said it was "very competitive".

Earlier this month, four Japanese utility companies — Chubu Electric Power, Kansai Electric Power, Osaka Gas and Toho Gas — also announced an agreement with Pertamina to buy a total of 3.2 million tonnes of LNG annually over 20 years from 1983 at a price of US$3.87 per million British thermal unit free on board (fob) Japan. — Reuter

CSO: 4220

HEALTHY FINANCIAL CONDITION EXPECTED TO CONTINUE

Kuala Lumpur BUSINESS TIMES in English 21 Mar 81 p 6

[Article by Richard Cowper in Jakarta]

[Text]

INDONESIA has recovered from a disastrous image as one of the Third World's riskiest borrowers, a reputation it attained in 1975 when the state-owned oil company, Pertamina, found itself unable to repay debts of around US$10 billion.

Indonesia's Finance Ministry brought under control the giant which under the leadership of General Ibnu Sutowo in the early 1970s was virtually a law to itself. Bailed out by the Indonesian government and a number of friendly foreign banks on the back of cuts in the Indonesian economy, Pertamina has now reduced its debt to US$1.4 billion. Now, just five year after Pertamina's near collapse, Indonesia's external balance of payments is so healthy and its credit rating so high that foreign bankers are queueing up to lend — only this time they are standing outside the doors of an extremely conservative Bank of Indonesia, and not in the plus waiting rooms of Pertamina.

In the past two years' Indonesia has grown rich as the largest exporter of oil and natural gas east of the Gulf. The government has watched the rising price of oil push official international reserves from US$2.6 billion at the end of 1978 to well over US$8 billion. This is enough to cover around eight months of imports. In addition, Indonesian commercial banks hold some US$4 billion in net foreign assets making total reserve holdings equivalent to about one year's imports.

By the end of the 1980-81 fiscal year, Indonesia is likely to have a record current account surplus of US$3.5 billion and an overall balance of payments surplus of almost US$5 billion. Despite the caution over prospects shown in the predictions of the World Bank in its confidential annual report on the Indonesian economy last year, the government is unlikely to suffer from any serious financial constraints for the next three to four years. In these circumstance it is questionable whether Indonesia should be looking at further commercial borrowing in 1981.

A glance at the estimated US$22 billion of petrochemical, power and infrastructure projects that the Indonesian government has on the drawing boards a compelling reason for Indonesia to turn to the market for further large-scale commercial loans over the next two or three years. However a substantial proportion of the financing for these projects will buy aid, foreign equity, or soft government-to-government loans. There seems little doubt that Indonesia could, if it wanted, easily finance its share from reserves, which according to a number of economists are likely to soar to over US$25 billion by 1984.

One reason why the government might turn to the market again this year, however, lies in the possibility of Indonesia's deciding to reschedule or repay ahead of time an estimated US$800 million of commercial debt carrying an interest rate of more than 1 per cent over Libor. This is attractive compared with holding reserves in excess of a year's imports given the fact that reserves held in liquid form earn at most the going Libor rate.

At the end of 1980, total Indonesian disbursed and outstanding foreign debt was an estimated US$14.5 billion. With an average maturity of 16 years it carried an average interest rate of 6 per cent. Indonesia's debt service represented a comfortable 10 per cent of net oil and non-oil merchandise exports, or 7 per cent of gross exports of goods and services. In 1980, Indonesia's public external debt service was estimated at US$1.7 billion, some 6 per cent up on the beginning of 1980. The health of Indonesia's position can be illustrated by the fact that, if the country were to earn 18 per cent interest on its total foreign exchange holdings of US$10 billion, this would exactly cover its debt service. — FT

CSO: 4220

REPORT ON NATUNA GAS RESERVES, FOREIGN CONTRACTORS

Jakarta KOMPAS in Indonesian 12 Mar 81 p 2

[Text] The Natuna Basin is thought to hold the world's largest gas deposit ever discovered, according to Ir S. Zuhdi Pane, head of the Exploration Unit of Pertamina's [National Oil and Natural Gas Company] Foreign Contractors Cooperation Board.

Answering reporters' questions at the Seamen's Club Wednesday, Pane said that this assessment is based on test results of explorations made in the area.

According to Pane, first explorations in the area were made by Agip, an Italian firm, which did discover gas in the well it was boring. But because the deposit was felt to be minimal, the field was simply abandoned. Later Agip returned the field, located in the South China Sea, to Pertamina.

One of the problems encountered at that time was that results of the gas exploration assay showed sulfur levels to be too high for profitable oil production. But the well was suitable for production of liquified natural gas (LNG), a fact not really heeded at that time.

After the field was returned to Pertamina, it was given over to eight contractors for further management. Most of these contractors were large American enterprises, already well-known for offshore drilling, like Gulf, Marathon, Conoco, Total, Esso, Mobil Oil and others. Very large gas reserves were discovered as a result of their explorations.

According to Pane, the large reserves are to be processed into LNG at Natuna Island as part of the overall development plans. He said there are other gas-producing wells in Udang. The largest floating methanol project in Southeast Asia is to be built in Bawal.

The discovery of gas and petroleum reserves as a result of boring a few exploratory wells in the Natuna Basin has attracted Vietnam's interest. But Indonesia continues to maintain that this region constitutes its own territory because it is still in the proximity of Natuna Island, considered to be strategic for future LNG processing.

In response to another question, Pane said the first work contracts introduced in Indonesia as joint ventures with foreign companies in the petroleum industry will be terminated around 1983. Those kinds of contracts are considered to be inappropriate for conditions today. "We shall at least shift to production-sharing contracts," he said.

Today there are thought to be about 40 oil deposits throughout Indonesia. A great number of these fields have already been explored, except for areas located in the remote parts of East Indonesia where the waters are deep.

Most surveys in Indonesia were performed in 1974. One of the things that attracted foreign companies to make the studies was the promise of a 65:35 split in profits. But when the contracts were altered to 85:15, specifically after production-sharing contracts were instituted in 1976, the interest of the companies waned. At that point the contractors tended to put the newly discovered wells into production as quickly as possible.

But when the government offered exploration incentives to the companies if they could discover oil in the remote areas, the interest of the foreign concerns was revitalized.

Today Pertamina has specifically applied the concept of joint operations in a contract with the Japanese. According to this agreement, Indonesia will not make any expenditures for exploration costs during the first 3 years. Only after that period will Indonesia begin to incur financial responsibilities under a fifty-fifty system.

According to Pane, this kind of contract is made chiefly to avoid those explorations that are considered too risky and unprofitable. Exploration is a big gamble that is extremely expensive in the early stages.

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CSO: 4213/36

OIL INDUSTRY PROJECTIONS, REFINERY CAPACITY TO BE INCREASED

Jakarta KOMPAS in Indonesian 11 Mar 81 p 2

[Text] Indonesia should be able to satisfy domestic oil requirements by 1983 as the capacity of the nation's refineries is increased, according to Ir Godfried Junus Atihuta, chief of the Oil Refinery Operations Service under the Processing Directorate. During an enrichment program for journalists at the Jakarta Seamen's Club Tuesday, the operations chief said that the productive capacity of the refineries in that year should reach about 819,000 barrels per day while domestic requirements will be about 750,000 barrels per day.

According to Atihuta, future plans for exp ding domestic refineries include processing of aviation gas, imported in its ntirety till now. "Domestic refineries will even be able to produce fuel for jet fighters," he said in answer to a question.

He added that between 1966-1968 aviation gas was refined domestically. But the program was halted because oil from the Tanjung and Minas fields that was to be processed into avgas underwent a change in quality.

The operations chief gave no further explanation on whether Pertamina [National Oil and Natural Gas Company] has found a way to improve the oil from the Tanjung and Minas fields. But he said one substance that will be processed for avgas in the future is LSWR [expansion unknown], still an export at present because of the inadequacies of domestic refineries. LSWR and other raw materials will be processed here after the Dumai hydrocracker and the Balikpapan refinery are completed.

In response to another question, Atihuta said that Arabian light crude oil, which today is imported for processing at the Cilacap refinery, will still be imported in the future. Arabian light crude is used as the basic material for making lubricating oil, which is in high demand domestically. This import will be limited, however, in accordance with current refinery capacities. Domestic crude oil is to be refined in the expanded Cilacap facilities.

"Arabian light crude must be imported," Atihuta explained, "because our own crude oil simply cannot replace it." He believes that of approximately 30 kinds of crude found in Indonesia, none is as suitable for making lubricating oil as the Arabian crude. "Indonesian crude is less fluid and at certain temperatures is more likely to freeze," he said.

The operations chief hopes that the bulk of Indonesian crude can be processed in the expanded facilities in order to satisfy domestic requirements. The present dependency on oil imports, then, gradually can be overcome.

In addition, shipments of Indonesian crude now sent to Singapore facilities for processing will be decreased with the operation of the domestic refineries. At present Indonesia sends around 150,000 barrels of crude per day to be refined in Singapore. The expectation is that eventually all Indonesian crude will be refined at home.

Meanwhile, P. T. Siahaan, Pertamina's chief of personnel planning, said it is anticipated that the expanded domestic refineries eventually will be able to absorb part of Pertamina's present excess work force.

He reported that today Pertamina has 45,464 full-time and 1,081 part-time workers. The industry will try to resolve the matter of the part-time workers before the end of the month.

In the future Pertamina will also want to reduce the number of its employees, because under present conditions the ideal number of workers needed is estimated to be about two-thirds of today's force. "When the refineries have begun full operations," Siahaan said, "we should be able to transfer about 15,000 more workers." He expects that the ideal number of employees will be reached around 1983.

Pertamina is currently trying to make gradual transfers of the excess labor force. Training workers through Pertamina's operations unit is one of the ways being attempted. The most capable employees will be shifted to new projects that are developed; the rest will be taken into other organizations of Pertamina.

To date, the distribution of Pertamina's work force is as follows: Region I, 5,358; Region II, 11,345; Region III, 4,822; Region IV, 4,526; and Region V, 583. There are 5,615 personnel in the marketing units (1-8) and 12,634 in the central office.

"These figures include 577 honorary workers, like armed forces retirees who are assigned to security posts," said Siahaan. All are considered employees, but they will not be getting a pension.

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CSO: 4213/56

BRIEFS

TIES WITH EAST GERMANY -- Jakarta, Wednesday -- East German Ambassador Eberhard Fiester said yesterday he was optimistic that Indonesia and the German Democratic Republic would achieve closer, friendlier relations, particularly in the commercial field. It is in this light, he said, that the East German government wishes to hold a technology exhibition in Indonesia. In his statement to the press at the East German Embassy in Jakarta, Feister stated further, "It is most important that in building up relations between the two countries we do not meddle in each other's internal affairs but also that we seek mutually beneficial commercial ties." Feister said that commodities exported from East Germany to Indonesia last year totaled $12.5 million while imports from Indonesia were $14-15 million. Each year East Germany imports a large quantity of raw rubber, tobacco and spices from Indonesia. "Our government intends to buy marketable commodities from Indonesia at a good price," the ambassador said. In 1977 the East German government offered $75 million in trade credits to Indonesia. An Indonesian-East German trade agreement was signed in 1974. A year later the relationship began to grow gradually, particularly inthe private sector. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 4 Mar 81 p 3] 9792

CSO: 4213/56

SELF-SUFFICIENCY IN RICE PRODUCTION POSSIBLE IN 1982

Kuala Lumpur BUSINESS TIMES in English 23 Mar 81 p 6

[Article by Michael Richardson in Phnom Penh]

[Excerpts] IN THE past few weeks tens of thousands of peasant farmers and members of their families have trekked to the Tonle Sap River north of Phnom Penh to make *prahoc*, a pungent brew of preserved fish which Kampuchean villagers prize as a tasty source of protein to eat with their staple food, rice.

The Tonle Sap, linking Kampuchea's great central lake with the Mekong River, literally teems with fish at this time of year. Hundreds of people crowd by the water's edge to buy by the basket from the state and private traders.

The large-scale renewal of Kampuchea's *prahoc* trade is one index of a dramatic improvement over the past year in the country's capacity to feed itself.

In another part of Kampuchea, in Prey Veng province east of Phnom Penh, a group of farmers sat outside a hut in the early morning sun on a mat of woven palm leaves. They were celebrating the harvest with some rice wine. "Last year," said Ta Sean, "we only grew enough rice to last the village (140 houses and 920 people) about one month. The crop we have just brought in should last the whole year. So we're not planting dry season rice in our area."

These are only random samples, of course. In some parts of Kampuchea, for example, southeastern Kompong Cham province, wet season caused extensive damage to rice crops.

But in general both Heng Samrin administration officials and representatives of international agencies in Phnom Penh concerned with food supply are confident that the rice harvest nearing completion, when combined with the dry season crop later in the year, will leave Kampuchea short of no more than three or four months of rice in 1981.

They believe this shortfall in the staple crop can be made up by international food aid shipments and expanding production of subsidiary crops, livestock and fishing.

There is increasing confidence that Kampuchea will achieve self-sufficiency in rice production next year unless it is hit by natural disaster or a worsening of the limited guerilla war between Vietnamese-led forces and armed resistance groups, chiefly the Khmer Rouge.

Kampuchea has made its recovery toward basic subsistence far faster than many observers felt was possible at the height of the conflict and famine here in 1979. There was talk then of the Kampuchean race being destined for extinction through a combination of man-made and natural forces even more powerful than those which wreaked havoc in Biafra and Bangladesh in the late sixties and early seventies.

Kampuchea's rapid resurgence in food production is due to a combination of factors: international aid from both non-communist and communist sources, the pragmatic policy adopted by the Heng Samrin administration on advice from Vietnam and the fact that the country is rich and lightly populated (an estimated 6.5 million people).

Government schools, hospitals, health clinics and some other essential services are functioning again throughout much of the country. State-run industries and plantations have been revived, although many are working at far below maximum capacity because of shortages of trained personnel, spare parts, raw materials and equipment. Exports of some traditional commodities, such as rubber and kapok, have started again on a modest scale.

Though its first budget and state plan will only be unveiled after elections for a national Parliament, probably in late March or April, the Heng Samrin administration is known to be spending far more than it is receiving in revenue. Inflation is becoming a problem as the Government prints more money to cover its deficit.

The government is heavily subsidising the cost of tens of thousands of tons of rice now being bought for cash from farmers for distribution to state employees and members of the armed forces. To get farmers to grow more, the state is offering attractive purchase prices.

But this *laissez faire* approach to running the country is likely to change as the Vietnam-supported regime recruits and trains more cadres for the Kampuchean Communist Party and the administration, as its power is consolidated and as state control permeates all aspects of the society.

Imposing and collecting taxes will almost certainly have to start soon. Representatives of United Nations and voluntary agencies in Phnom Penh say the total value of non-communist aid to Kampuchea this year will be less than half last year's level.

The UN agencies — which sent aid, mainly food and seed rice, worth US$500 million into Kampuchea in the 15 months to the end of 1980 — expect to have no more than US$200 million for the programme this year.

There is also a feeling among Western donor governments that continued large-scale aid for "development" rather than emergency relief in Kampuchea will only help legitimise an administration which is not recognised by the UN and refuses to heed UN calls for a negotiated settlement in Kampuchea. — Depthnews

CSO: 4220

DRAFT CONSTITUTION DOES NOT STRESS ROLE OF COMMUNIST PARTY

Kuala Lumpur BUSINESS TIMES in English 25 Mar 81 p 6

[Article by Bernard Melunsky in Bangkok]

[Text]

THE Vietnamese-backed rulers of Kampuchea after two years in power have just published their first draft constitution paving the way for outright leadership of the still shadowy Communist Party.

The draft, issued by the Kampuchean news agency SPK, refers only to "The Party," which has kept very much in the background in a country still recovering from an excess of revolutionary zeal by its former communist government.

The pro-Vietnamese rulers have so far refrained from publicly stressing the Communist Party's leadership role. One reason is probably a small membership and overwhelming popular suspicion of communism as enforced by former Premier Pol Pot during nearly four years of rule from April 1975.

The pro-Chinese Khmer Rouge government was ousted in January 1979 after a massive Vietnamese military offensive. But Pol Pot apparently still remains leader of his version of the party in its jungle and mountain strongholds.

The Phnom Penh administration's version of the party is headed by Pen Sovan, Deputy President and Defence Minister in the present ruling Revolutionary Council.

He is generally regarded as its strongman and diplomatic analysts here expect him to emerge as the publicly-acknowledged top leader under the new constitution.

The constitution is expected to go into force after elections to a national assembly around the middle of next month.

Article Four says: "The Party is a force that takes direct leadership of the entire revolutionary task of the People's Republic of Kampuchea."

The draft charter is similar in several key respects to a new constitution recently adopted by Vietnam but there also appear to be significant differences in tone.

Both countries will have state leadership vested in councils of state headed by a chairman. Vietnam previously had a figurehead state president while real power lay in the hands of Communist Party secretary-general Le Duan.

Diplomatic analysts expect Le Duan will soon combine state and party leadership by becoming the first state council chairman.

If the Kampucheans follow suit, then their state council chairman is likely to be party leader Pen Sovan rather than the present Revolutionary Council president, Heng Samrin, a lacklustre figure.

Unlike the Vietnamese constitution, the Kampuchean draft refrains from talking about Marxism-Leninism as a guiding principle and makes no direct reference to the Soviet Union, the great ally and material supporter of Vietnam.

As expected, it does mention the close ties and cooperation with the two other Indo-Chinese countries, Vietnam and Laos, as well as with "other fraternal socialist countries."

It says the Pol Pot regime has toppled with the "sincere assistance of the Vietnamese arm and people," but makes no mention of the continuing Vietnamese military occupation, expected to last for some years.

The accent is on presenting what it calls "building an independent, peaceful, free, democratic and non-aligned Kampuchea advancing progressively and firmly towards authentic socialism."

Many aspects of the new charter seem designed to reassure people of the difference with the Khmer Rouge regime. Article 12, for instance, enshrines the continuance of "family-run economy" as well as the state-run economy.

Diplomats here say this indicates that the Vietnamese-backed rulers are not going to enforce total collectivisation, in contrast to the policy of the Khmer Rouge revolution whose compulsory methods caused great hardship and suffering. — Reuter

CSO: 4220

BRIEFS

AID TO SOLDIERS--Phnom Penh, 13 Apr (SPK)--On the occasion of Chol Chhnam Thmey and the "17 April" anniversary, Vice Trade Minister Thong Chan on Saturday [11 April] paid a visit to the combatants undergoing treatment in the various hospitals in Phnom Penh. He offered them sugar, milk, vegetables and various kinds of food. [Text] [BK161321 Phnom Penh SPK in French 1440 GMT 13 Apr 81 BK]

SOVIET ENVOY ON CPSU CONGRESS--Phnom Penh, 13 Apr (SPK)--O. V. Bostorin, Soviet ambassador extraordinary and plenipotentiary to Kampuchea, on Saturday [11 April] gave a press conference on the 26th CPSU Congress held in Moscow from 23 February to 3 March. The ambassador spoke about the success of the congress which, he said, was important not only to the Soviet people but also to other peoples in the world. The congress defined the domestic and foreign policies of the USSR and adopted the program and plan for intensification of scientific and technical work. The congress stressed the maintenance and defense of security and peace in the world, the development of relations of friendship and cooperation and Soviet support for the national liberation movements struggling for freedom and independence. [Text] [BK161321 Phnom Penh SPK in French 0402 GMT 13 Apr 81 BK]

CSO: 4200/39

DEMAND FOR POWER WILL OUTSTRIP SUPPLY BY 1990

Kuala Lumpur BUSINESS TIMES in English 18 Mar 81 p 1

[Text] MALAYSIA may face a shortfall in energy supply to the tune of 377,000 BDOE (barrels per day of oil equivalent) in 1990 and 700,000 BDOE in the year 2000, said Datuk Leo Moggie.

The Minister of Energy, Telecommunications and Posts, said this, however, assumed that there was no further addition to hydro power generation after 1990. If so, the shortfall would have to be met by imported oil and other energy sources.

Speaking on "Energy Resources in Malaysia to Meet Development Targets by the Year 2000" at a dinner in Kuala Lumpur last night, Datuk Moggie said that the long-term rate of increase in demand for energy is estimated to be about 8.5 per cent per annum while the economy was is expected to grow at a long-term annual average of 8.2 per cent.

Based on an assumption that there was close relation between economic growth and energy consumption, Datuk Moggie added that the demand for energy is likely to increase more than three-fold by 1990 and by about six times by the year 2000 over the 1977 level.

The projection assumed that the demand for crude oil and electricity would increase by the year 2000 by about four and seven times respectively compared with the 1977 levels.

Malaysia's energy consumption grew at an annual average rate of about 8.1 per cent between 1970 and 1977 (In comparison the GDP grew at an annual rate of about 7.1 per cent.)

Datuk Moggie said that consumption increased from about 72,000 BDOE in 1970 to nearly 125,000 BDOE in 1977. In the latter year, more than 95 per cent of the total energy demand was met by petroleum products.

Fuel oil was the major petroleum product consumed, accounting for 37.7 per cent of all petroleum products consumed in Malaysia in 1977. Others in order of importance were diesel (32 per cent), petrol (15.9 per cent) and kerosene (5.5 per cent).

Referring to major consumers by sectors, Datuk Moggie said that the generation of electricity consumed the highest accounting for 24.3 per cent, households 23.8 per cent, manufacturing 11 per cent, mining 10.3 per cent, transport 9.7 per cent and agriculture 8.2 per cent.

Electricity generation was also the major factor contributing to the increase in petroleum product consumption in Malaysia between 1970 and 1977. The total electricity demand in Peninsular Malaysia increased at an average rate of 13.5 per cent per year.

The Minister pointed out that Malaysia's dependence on petroleum was among the highest in the world. He noted that thermal generation plants using fuel oil still constituted 85 per cent of the total, with hydro generation making up the balance. In 1977, the National Electricity Board alone took up about 60 per cent of the total oil consumed in the country.

Datuk Moggie said that about 60 to 70 per cent of crude oil presently refined by local refineries was imported. The major sources were Saudi Arabia supplying 50 per cent of Malaysia's needs, Kuwait (30 per cent) and Iran (20 per cent).

Imported oil from West Asia would continue to play an important role in future — unless the pattern of energy demand in the country changed.

Present refining capacity, he added, was adequate. However, additional capacity would be required if Malaysia was to remain self-sufficient in refining in the future.

Malaysia's potential energy resources, Datuk Moggie said, were substantial. Potential resources of natural gas and hydro power, if exploited rationally, could meet about 40 per cent of the total energy demand after 1990. These at the moment were largely untapped.

Datuk Moggie stressed the need for a well-defined plan, as a national energy policy, to ensure the efficient and optimal exploitation of the vast indigenous energy resources, the most efficient use of energy and the development of non-oil alternatives to cushion the prospect of diminishing and dearer oil supplies.

The comprehensive survey to be undertaken to determine the potential sources of energy in the country, with financial support from the World Bank is expected to be ready by 1982.

In the meantime, Malaysia was adopting a four-fuel strategy, covering oil, natural gas, hydro power and coal. The potential offered by natural gas and hydro was particularly promising.

Gross surface hydro potential is estimated at 414,000 million Kwh in Peninsular Malaysia, Sabah and Sarawak. The technical exploitable potential is estimated at 123,000 million Kwh which would be sufficient to meet all future electricity needs if all of it could be developed.

Of the total technical potential, 53.3 per cent is in Sarawak, 33.4 per cent in Sabah and the rest in Peninsular Malaysia. Current studies indicate the possibility of transferring up to 125,000 GWH per year from Sarawak to Peninsular Malaysia — representing 24 per cent of the projected energy demand for the Peninsular in the year 2000.

The coal deposits in Sabah and Sarawak are said to be suited for industrial uses such as coking, cement clinkering and ceremics rather than for power generation.

On nuclear power, Datuk Moggie said that the government had not completely ruled out the option. "We have merely put off consideration for utilising nuclear power for the time being," he added. Research was also being done on the possibility of utilising solar energy and biomass, especially in the rural areas.

CSO: 4220

FOURTH MALAYSIA PLAN SUBMITTED TO PARLIAMENT

General Overview

Kuala Lumpur BUSINESS TIMES in English 28 Mar 81 p 1

[Text] PRIME Minister Datuk Hussein Onn yesterday stressed the government had full confidence in the ability of the private sector to contribute more actively to national development. It has accordingly been assigned a larger role in the Fourth Malaysia Plan (FMP).

The private sector is called upon to contribute 72 per cent of the $102.84 billion investment envisaged under the new plan as opposed to 63 per cent under the Third Malaysia Plan.

Presenting the new plan to Parliament, Datuk Hussein said: "It is the intention of the government that the private sector, local and foreign, should share in the task of national development."

To meet this expectation, the private sector has to mobilise an investment of $74.11 billion (as opposed to $27.52 billion estimated to have been achieved under the TMP and $14.7 billion under the Second Malaysia Plan).

The private sector target, said the Prime Minister, might appear high. It was not, however, unrealistic in the light of the vast opportunities open to it under the plan.

He pointed to the exceptional opportunities for investment in construction and manufacturing, and in the development of petroleum and natural gas.

He said: "The untiring efforts and sacrifices should not be measured in terms of the benefits accruing to us, the present generation. More important is the future generation."

Referring to the plan's goals, Datuk Hussein said: "We have the capability and the necessary resources to hasten our development. In pursuing our socio-economic development targets, all our resources will need to be effectively and efficiently utilised.

The FMP, he said, gave due emphasis to enhancing efficiency through better utilisation of capital, manpower, technology and other resources.

Of the total plan allocation of $43 billion for public sector initiatives, almost 58 per cent would be spent on the development of the economic sector. The balance will go to social services, defence and security.

He pointed out that the international economic situation posed a serious problem. The high rate of inflation and the slow economic growth in the developed countries might adversely affect the Malaysian economy.

"It is for this reason that we have to intensify our efforts in diversifying and strengthening our economy, exploiting potential overseas markets, and increasing domestic demand for local goods," he added.

Malaysia's capability in defence and security would be upgraded during the plan period. The allocation under these heads amounts to $9.37 billion, or 21.8 per cent of the public sector outlay.

Datuk Hussein said that since socio-economic development and national security were inter-related, proper attention has to be accorded to defence and national security.

The Prime Minister said that high priority was being given to agricultural development. Programmes in this sector would include the opening of new land, the intensification of integrated agricultural development, drainage and irrigation, replanting, rehabilitation and consolidation of smallholdings.

At the same time, programmes for diversification and inter-cropping would be intensified. Similarly, research, provision of credit, extension services, processing and marketing would be expanded.

A sum of $4.4 million has been allocated for the economic restructuring programme in line with the New Economic Policy. Efforts to increase the Bumiputra participation in commerce and industry would be speeded up through the provision of credit, technical assistance and entrepreneurial development programmes.

The FMP also marks the beginning of a concerted effort to develop heavy industries in the country. For this, a Heavy Industries Corporation has been set up as a public sector agency.

To ensure balanced industrial development, small and medium-sized industries would be encouraged to complement the heavy industries.

Reviewing the achievements of the country in the last 10 years, Datuk Hussein pointed out that the labour surplus of 1970 had changed into shortages in certain sectors. About 1.7 million jobs were created in the last 10 years. Unemployment fell from 7.8 per cent in 1970 to 5.3 per cent in 1980.

Referring to poverty eradication, he said that the overall incidence of poverty was reduced from 49.3 per cent in 1970 to 29.2 per cent in 1980. In the rural areas it dropped from 59 per cent to 38 per cent while in the urban areas it dropped from 21 per cent to 13 per cent during the same period.

The ownership of shares in the corporate sector by individual Bumiputras and trust agencies increased from 4.3 per cent in 1970 to 12.4 per cent in 1980. During the same period, ownership by non-Bumiputras increased from 34 per cent to 40 per cent and that held by foreigners decreased from 61.7 per cent to 47.5 per cent.

Datuk Hussein said that in the first 10 years of the New Economic Policy, the country had successfully laid a strong foundation for building a prosperous, just and united nation.

Datuk Hussein urged every Malaysian to give his best and play his part in realising the goals of development. He reminded them that "our concept of development embraces both physical and spiritual. The spiritual development provides the driving force and gives purpose to material development."

Kuala Lumpur BUSINESS TIMES in English 26 Mar 81 p 9

[Text] MALAYSIA'S strength will continue to lie in its strong resource base and the relatively well diversified and developed economic structure. The current international instability is forecast to continue until at least the initial years of the Plan and will have a direct impact on the country's economic development. Exports now account for 48 per cent of the Gross Domestic Product (GDP) while imports supply 47.5 per cent of the domestic requirements. The relative weakening in aggregate demand of industrialised nations will have some dampening effect on the demand for Malaysia's exports but as the international situation improves during the mid-period of the Plan, exports are expected to pick up again. The prospects for Malaysia's commodity exports, will remain good in view of the increasing competitiveness of natural rubber against synthetics as well as the increasing demand for major primary commodities as a hedge against inflation and for stockpiling to meet strategic needs. The demand for manufactured exports will be largely influenced by external demand and the ability to make inroads into existing and new markets. Overall, the export sector is expected to grow at [illegible] per annum in current prices or at 9.1 per cent in real terms during the Plan period.

The real adverse effects of international instability is expected to come from the rapidly rising world oil prices and the continuing inflationary situation in the developed countries pushing up prices of imports and domestic costs of production. Total imports are projected to increase by 16.4 per cent per annum in current prices or by 8.6 per cent per annum in real terms. The high cost of imports will add to domestic inflation which is expected to average between 8 per cent to 9 per cent per annum, greater than the 6.6 per cent per annum recorded during the Third Malaysia Plan (TMP).

The actual extreme of domestic price increase during the FMP is difficult to predict and will depend, not only on the impact of international inflation on imports but also on the ability to increase productivity and enhance efficiency in the use of scarce resources.

GDP is projected to increase at 7.6 per cent per annum in real terms. While this rate of economic growth is lower than that achieved during the TMP, it represents a significant expansion given the constraints, both external and internal, to be faced during the Plan period. The agriculture sector, currently the largest contributor to GDP, will expand at 3 per cent per annum while the manufacturing sector will experience the fastest rate of growth of 11 per cent per annum, thereby becoming significantly more important in terms of [illegible] and employment during the FMP. [illegible] resources will be devoted to increase productivity particularly with respect to increasing the average yield per hectare of rubber, oil palm and other agricultural crops. The rate of [illegible] during the FMP period. Considerable emphasis will be placed on increasing the value added of primary commodities [illegible] downstream processing of raw materials [illegible] petrochemicals and identifying and encouraging new [illegible] opportunities [illegible] be facilitated by the private sector.

As in the past, considerable reliance will be placed on generating domestic resources through appropriate fiscal and monetary policies. The [illegible] of external resources required to supplement national savings in financing investment amounts to [illegible] million over the five-year period. The balance of payments reserve position will remain favourable.

The amount of investment over savings will be larger in the private sector than in the public sector. This reflects the policy of government to step up the pace of investment in the productive expansion of the economy and in the achievement of the New Economic Policy (NEP). The basic [illegible] of public development will be in [illegible] and projects [illegible] improving the quality of life. A large part of public investment growth is also accounted for by the rising share of expenditure on defence and [illegible] security. To the extent that development budget is [illegible] by current revenue and [illegible] savings, the [illegible] and security expenditures of the country [illegible].

[illegible] the average annual real GDP growth of 7.6 per cent in the FMP period [illegible] is the [illegible] that the economy will [illegible] but grow more rapidly through [illegible] with the [illegible] of the world economy from the present [illegible] inflation. Although the GDP will expand substantially nearly 10 per cent more in nominal terms than the TMP, the rate of real [illegible] available will [illegible] the same [illegible] in the TMP. [illegible] the growth of the agriculture, forestry and fishing sector, currently the largest sector in the economy, will be somewhat slower during the FMP period compared with the performance during the TMP and TMP periods. The sector is projected to grow at 3 per cent per annum compared with 4.3 per cent during the last decade. In addition, the sector's contribution to national output is expected to continue to decline from 22.2 per cent in 1980 to 17.8 per cent in 1985. By 1985, this sector will cease to be the largest in terms of its contribution to GDP.

This development is largely due to the slower growth anticipated for the sector's main commodities, namely, rubber and palm oil, as the full impact on production brought about by new planting and replanting had already been realised during the late 1970's. In addition, the increase in timber output, which in the past decade contributed almost 20 per cent of the sector's output, is also expected to decline.

The development of the agricultural sector during 1981-85 will be guided by the principal objectives of increasing food production to meet the requirements of an increasing population, accelerating the growth of export earnings and increasing productivity and incomes of the agricultural labour force. An important aspect will be the formulation of an integrated development programme for agricultural commodities and the effort to assign priorities to commodity developments.

Rubber production is anticipated to expand at 3.7 per cent per annum, compared with 2.3 per cent per annum growth recorded during the last decade. The slow growth is due mainly to the substantial decline in replanting from 172,500 hectares during 1971-75 to 136,500 hectares during 1976-80. However, the decline in acreage resulting from slower replanting will be offset by productivity increases.

The output of palm oil will continue to expand but at a lower rate of 8.5 per cent per annum com-

period with a rate of 19.9 per cent per annum achieved during the last decade. As in the case of rubber, the full impact of production resulting from the past planting efforts would already be realised in the late 1970s and early FMP period.

During the FMP period, a strategy to expand future production will continue to be pursued. To this end, new acreages amounting to 84,700 hectares will be planted with oil palm by major Federal agencies. In addition, a replanting programme for oil palm has also been formulated.

In Peninsular Malaysia, a National Forestry Policy was accepted and adopted in 1978, principally to conserve the existing forest reserves in view of the rapid rate of forest exploitation in the past. The aim of the policy is to ensure adherence by the state governments to the maximum quota for forest exploitation, the strict supervision of the intensity of forest harvesting, the expansion of capacity of wood processing mills and the acceleration in the rate of forest rehabilitation. With the implementation of the policy, sawlogs output from Peninsular Malaysia is expected to decline by 7 per cent per annum. In Sabah and Sarawak, efforts to conserve forest resources are also anticipated to be implemented during the FMP period. As a result of these efforts, total sawlogs output will decline by 3.5 per cent per annum during the FMP compared with the growth of 3.4 per cent per annum during the last decade.

The policy of self-sufficiency in padi production will continue to be pursued during the FMP period. Other than ensuring that rice being the staple food is readily available for the population as world supplies are uncertain, continued efforts will be made to improve the incomes of the padi farmers. To achieve these objectives, the area under double-cropping will be further expanded and new areas amounting to 4,850 hectares per annum will be developed for padi production. In addition, emphasis will be given to further improve productivity through the use of high yielding varieties, fertilisers, greater extension services, drainage and irrigation, and credit and marketing facilities.

During the FMP period, diversification of agricultural production will continue to be undertaken. Among the potential crops are cocoa, pepper and tobacco. The extent of expansion in the cultivation of these crops will take into account the availability of suitable land and the commercial viability of the crops. The livestock and aquaculture industries will also be encouraged.

The growth of the mining sector has been dominated by the increase in the output of crude petroleum since the middle of the last decade. During the FMP, production of crude petroleum is expected to increase by 3.3 per cent per annum from 310,000 barrels per day in 1980 to 382,900 barrels per day in 1985. The prospects for the production of liquified natural gas (LNG) are bright with the existence of sizable reserves. With the completion of the Bintulu LNG project, the production of LNG is expected to come on stream by 1983, with a capacity to produce six million tonnes mainly for export.

The output has been declining since 1973 due to depleting tin ores in existing mines. It is expected to decrease by 0.8 per cent per annum during the FMP period. Copper output is projected to decline on account of the limited availability of existing reserves in Sabah.

Taking all these into account, the mining sector is estimated to record a growth of 3.6 per cent per annum during the FMP period, a substantial part of which will be accounted for by LNG production.

The manufacturing sector will continue to be the leading sector during the FMP and is projected to grow at a higher rate of 11 per cent per annum compared with the rate of growth of 10.5 per cent per annum recorded during the TMP period. The sector will account for nearly one-third of the increase in GDP and its share in total GDP will increase from 20.6 per cent in 1980 to 23.9 per cent in 1985.

The stimulus to expansion of the manufacturing sector will come from both external and domestic demand, supported by availability of investible resources as well as by the industrial policy and promotional measures. The export-oriented industries such as timber products, electronics, textiles and rubber products will continue to enjoy increases in external demand but at lower rates of increase ranging from 4 per cent to 10 per cent per annum than those achieved in the past. A number of newly emerging products which have significant demand potential will be given strong encouragement and these include precision products such as surgical and dental instruments and equipment, and scientific gauges. In addition, several agro-based industries which have good potential for export and domestic demand will receive priority treatment and are expected to increase production substantially during the FMP. These include processing of cocoa and palm oil, production of heavy duty tyres and specialty rubber products like surgical and household gloves and high value timber based products such as knock-down furniture, panels and carved doors and other joinery items.

Import substitution will also account for some increase in manufacturing production. Important among these are the production of processed food, intermediate goods such as oils and fats, industrial chemicals, chemical products and cement, which together accounted for 43.1 per cent of the total imports in 1980. In addition, considerable scope exists for Malaysia to enter into the next phase of import substitution for the manufacture of capital goods, the import of which accounted for 45.4 per cent of total investment goods demand in 1980. The Heavy Industries Corporation Malaysia Berhad was set up in 1980 to encourage, on a longer term basis, the growth of capital-intensive industries such as aluminium, cement and steel.

The construction sector value added is projected to increase at a rate of 9 per cent per annum during the FMP, compared with 13.8 per cent per annum during the TMP. This deceleration in growth is expected in view of the decline in non-residential and engineering construction attributed to the public sector during the FMP. The declining construction activity of the public sector, however, will be more than offset by the rapid expansion in construction by the private sector. Residential construction demand in the private sector will continue to be substantial in view of the encouragement given to home ownership and the relatively easy access to housing loans provided by both private and public sector institutions. Non-residential construction by the private sector is expected to increase, especially that related to the manufacturing sector in line with the high rate of increase in private investment targeted for the period.

The services sector which comprises mainly the wholesale and retail trade; transport, storage and communications; government services; finance; and utilities, is expected to expand at more or less similar rate as the overall GDP growth. The government services sector, the largest of all and which in 1980 accounted for 39.6 per cent of total services value added, is forecast to increase by 9

per cent per annum in line with expected increase in public consumption expenditure of about 9.2 per cent per annum during the FMP. Past performance indicated strong relationship in the growth between the wholesale and retail trade, finance, and transport, storage and communications sectors in line with those of the agricultural and manufacturing sectors. During the FMP, these two latter sectors, together are expected to increase by 8.1 per cent per annum and they are expected to continue to influence the performance of the wholesale and retail trade, finance, and transport, storage and communications sectors.

Expansion of the utilities sector as in the past, will keep pace with the growth in the manufacturing sector, though other factors such as the rate of urbanisation and population increase will also influence significantly the performance of the utilities sector. The utilities sector is projected to grow at 10 per cent per annum, in line with the increase of 11 per cent per annum expected of the manufacturing sector. The remaining services sectors are projected to increase at about the same rate as the overall GDP.

Steady Growth in Exports

Kuala Lumpur BUSINESS TIMES in English 28 Mar 81 p 11

(Text) WITH public investment growing at 4.1 per cent at current prices, the major source of growth for expansion of the economy will come from exports, private investment and public consumption. Exports are projected to increase by 9.1 per cent per annum, while private investment is targeted to grow at 8 per cent per annum in real terms. The growth in these demand aggregates will call for policies aimed to assist their expansion.

The performance of the exports sector during the FMP will be determined largely by development in the international economy and also by the supply response of the country's major export commodities.

Many industrialised nations have adopted deflationary measures to control inflation and the recovery to a stable growth path is likely to be longer because of the lead time involved in adjusting to high energy costs.

In addition, imports by industrialised nations are expected to grow slowly in view of the need to safeguard their current account positions and the marked increase in protectionist policies of industrialised countries. In light of these developments, it is expected that world export prices for primary commodities will also reflect a downward trend.

On the domestic front, a major constraint will be on the supply of primary commodities. The rate of increase in the volume of exports of rubber and palm oil are expected to decelerate, while the volume of tin and copper exports will decline. In addition, the export volume of sawlogs will decline as a result of conservation policy.

Based on these considerations, total commodity exports are projected to grow by 11.4 per cent per annum in current prime compared with a growth rate of 25.2 per cent during the FMP.

Export earnings from agriculture are projected to increase by 10.6 per cent per annum, accounting for 26.3 per cent of total exports by 1982 with earnings from rubber expected to increase by 10.6 per cent per annum, due mainly to price increase of 10.5 per cent per annum and a 0.1 per cent annual increase in the export volume.

The prospects for palm oil exports during the FMP are less favourable compared with the TMP in view of the anticipated rapid expansion in the world supply of oils and fats which will dampen price increases.

Earnings from mineral exports are projected to increase by 10.7 per cent per annum during the FMP due to increases in prices for tin, petroleum and copper and in the export of LNG amounting to $3,394 million in 1985. The export volumes of tin and copper are projected to decline as a result of declining trend in output in the case of petroleum, the export volume is projected to increase by 3 per cent per annum.

Exports of manufactures are anticipated to expand rapidly by 26.2 per cent per annum. Textiles and electronics exports which experienced rapid expansion in the past will still continue to be the leading sectors but the rate of expansion is likely to moderate for a number of reasons.

To begin with, the levels of textiles and electronics exports were already high in 1980 and to repeat past growth will require large absolute increases which will be difficult to achieve. In addition, the growth in textiles exports will be limited by quota restrictions and further expansion will depend on the progress of negotiations of textiles quotas with developed countries and on the availability of new markets.

In the case of electronics, although international demand will grow, the rate of export expansion will depend on Malaysia's ability to maintain its competitive position in the face of new sources of international supply and the rising cost of domestic labour.

To achieve the rapid growth of manufactured exports, an aggressive export strategy will be formulated and implemented so as to expand into existing and

new markets and to improve the competitive position of manufactured exports. Further special emphasis will be given to develop products that have good export potential in order to diversify and broaden the base of manufactured exports.

Private investment is expected to play a major role in the domestic economic expansion and in the attainment of the NEP. Out of the total investment of $100,630 million projected for the FMP period, $74,111 million or 73.3 per cent is expected to be met by the private sector.

This implies a target growth of private investment (excluding investment in oil industry) of 11 per cent per annum in real terms or 16.8 per cent per annum in current prices. Investment in the oil industry which in 1980 accounted for 17.7 per cent of private investment is expected to decline resulting in a private investment growth of 8 per cent per annum in real terms or 13.1 per cent per annum in current prices.

Private consumption which accounted for 56.8 per cent of GDP in 1980 is projected to increase by 7 per cent per annum in real terms during the FMP. This rate of increase is lower than that for the TMP but is nevertheless significant relative to overall demand in the country. With population projected to increase by 2.6 per cent per annum, per capita private consumption will increase by 4.3 per cent indicating continued improvement in welfare of the population.

Private Investment To Increase

Kuala Lumpur BUSINESS TIMES in English 28 Mar 81 p 9

[Excerpt] THE private sector has an important role in fulfilling the growth target envisaged under the Fourth Malaysia Plan (FMP) and in the attainment of the New Economic Policy (NEP). About 73.3 per cent of the total investment targeted for the Plan is expected to come from the private sector. This calls for a more intensified effort, on its part, to mobilise resources for investment and to acquire skills, technical knowhow and management expertise. The Government will continue to maintain an investment climate conducive to the growth of the private sector and provide the necessary support in terms of infrastructure and other facilities.

The amount of private investment, including oil, during the FMP is targeted at $74,111 million or 73.3 per cent of total investment compared with $30,630 million or 63.2 per cent of total investment during the Third Malaysia Plan (TMP). In terms of growth, total private investment is anticipated to increase at a rate of 13.1 per cent per annum in current prices or 8 per cent per annum in real terms.

The bulk of private investment will be in the non-oil sector which is anticipated to increase at 11 per cent per annum in real terms during the FMP, a rate slightly higher than the 10.8 per cent per annum achieved during the TMP. The share of non-oil private investment will increase from 84.8 per cent to 88.6 per cent of total investment and the main areas of non-oil investment will be in the manufacturing and construction sectors.

Value added in the manufacturing sector is projected to grow at a high rate of 11 per cent per annum. The source of growth for the manufacturing sector, as in the past, will be demand generated by both external and domestic sources.

Export-oriented industries such as electronics, rubber products and timber-based products, will continue to enjoy increasing external demand and the growth of value added in these industries will range from 8 per cent per annum to 18 per cent per annum, as shown in the table. Industries with good export potential such as the manufacture of precision instruments, toys and sports goods, clay and silica-based products, will also contribute to the growth of private investment.

Although the country has a comparative advantage in resource-based industries such as rubber and timber products, the opportunities for greater expansion of these industries have not been fully exploited. The forward linkages of the resource-based industries, such as the manufacture of furniture and fixtures, tyres and tubes, and shoes, could be further developed to meet the demand in both domestic and export markets. Similarly, processing of agricultural products could be further expanded to generate more value added for the economy.

The electronics industry so far has concentrated on assembly of imported components, and its rapid growth has benefited the country substantially in terms of employment creation. With the emerging tight labour market situation, the industry will be encouraged to undertake integrated production which would also generate more value added.

Domestic demand which is estimated to account for about 86 per cent of Gross Domestic Product (GDP) in the economy during the Plan period will also provide the necessary stimulus for private investment. During the past decade, per capita income increased by 4.9 per cent per annum in real terms and, consistent with this increase in income, is the increase in demand for consumer durables and other items such as recreation equipment, clothing, footwear, furniture and books. Further, with per capita income projected to grow by 5 per cent per annum during the FMP, the scope for import substitution of these consumer goods will be large as the demand for these

goods increases at a higher rate than income.

Considerable scope also exists in the manufacture of ancillaries by the engineering industries to generate domestic value added through the use of local components, and to develop and improve the level of technology. The development of industries along these lines will foster greater backward linkages in industrial development.

The Government will also embark on the promotion of heavy industries to strengthen the industrial development of the country. In order to spearhead their development, the Heavy Industries Corporation Malaysia Berhad was set up in 1980, to initiate, implement and manage capital-intensive industries. The corporation is wholly-owned by the Government, but it is established under the Companies Act so that it will have the flexibility of the private sector in responding to changes in economic conditions. The Corporation will also undertake projects on a joint-venture basis with the private sector. A number of heavy industry projects have been identified for further consideration by the Government. These projects include iron and steel, aluminium reduction and cement plants, and an engineering supporting services complex. The implementation of these projects will provide further opportunities for the private sector to participate in industrial development.

To encourage investment in projects with long gestation periods in all sectors of the economy, the Industrial Development Bank of Malaysia Berhad was established in 1979. The objective of the Bank is to finance the expansion of productive capacity in capital intensive and high-technology industries. One of the priority sectors is the shipping industry. The Bank's financial assistance scheme to the shipping industry includes refinancing ship repairs at a preferential rate of 4.5 per cent per annum for a maximum period of one year, to enable Malaysian shipyards to compete more effectively in the international markets. In addition, the bank is finalising financing schemes to encourage Malaysians and foreign shipowners to build their vessels in Malaysian shipyards.

Investment in small-scale industries will also be encouraged as these industries have an important role in developing entrepreneurship and also to provide employment and a base for training and improving skills. Industries which are suitable for small-scale operations include manufacture of industrial machinery components, furniture, leather footwear, machine tools, metal joinery and clothing. The Government will continue to encourage the growth of small-scale industries through extension of training, credit and financing facilities as well as improving marketing facilities. In order to increase the viability of the industries, they will be closely tailored to the manufacture of ancillaries to meet the demand of the growing industrial sector. In this regard, a special unit has been set up in the Ministry of Trade and Industry to modernise and restructure small-scale industries.

The prospects for investment in the building and construction industry are bright. The construction sector is anticipated to be buoyant during the FMP period, with the continued increase in demand for private residential buildings, as well as non-residential (which is during the Plan period). The residential building sector will be further stimulated with the planned construction of [illegible] dwellings of which about 50 per cent is expected to be undertaken by the private sector. In addition, the expansion of infrastructure facilities and projects in the social sector such as education and health will generate additional demand for investment in the private sector. One of the major concerns of the Government is the rising cost of construction materials and shortage of skilled labour. Efforts will be made to improve the supply of building materials through expansion of domestic production capacity and imports, and to increase the supply of labour through additional training facilities.

The size of investment needed for the development of the country's oil and natural gas resources will be substantial. In addition to the total investment undertaken during the FMP amounting to $4,000 million, about $7,800 million will be invested during the FMP to develop the oil fields and to complete the projects associated with the development of the natural gas resources at Bintulu, Labuan and Trengganu. In addition, sizable investment will be made to expand domestic refining capacities with the establishment of refineries in Malacca and Trengganu.

With the growth in agriculture, manufacturing, construction, and mining sectors, investment in the services sector will grow, particularly in wholesale and retail trade, banking and finance services, consistent with the growth in value added of the non-government services sectors of 7.8 per cent per annum. The shipping and insurance industries will also expand in response to Government's policy of reducing the deficit in the services trade.

The resources required for financing of private investment amounting to $74,111 million (including stock changes) during the FMP are substantial. Domestic resources, which comprises self-financing of investments by the private sector and Government transfer of funds to private sector activities, are estimated to provide about 57 per cent of the private investment financing needs. The balance will be met by net private long term capital inflow estimated to be $9,000 million of private investment during the FMP compared with $4,911 million during the TMP. The increase in private long term capital inflow reflects the continuing contribution of foreign investment to Malaysia's economic development.

Self financing of private investment will amount to $42,848 million comprising both past accumulated savings and new savings generated during the FMP after allowance has been made for purchases of Government securities, outflows of short term capital and balance of payments errors and omissions as well as increases in currency holdings. An additional source of financing which will be available to the private sector in the future is that the Government will provide to public sector agencies operating in the private sector. These funds include transfers to institutions such as Perbadanan Nasional Berhad (Pernas), Urban Development Authority (UDA), State Economic Development Corporations (SEDCs), Majlis Amanah Rakyat (Mara) and the Bumiputera Investment Fund for the purpose of enabling the advancement of Bumiputras in commerce and industry. The total allocation for the this purpose is $5,644 million for the FMP period.

Federal Allocations

Kuala Lumpur BUSINESS TIMES in English 26 Mar 81 p 11

[Text] THE public sector development programmes during the Fourth Malaysia Plan (FMP) will continue to focus on attaining the objectives of the New Economic Policy (NEP) in the context of an expanding economy. The development efforts of the government will also be directed to the poorer states to achieve regional balance in development. Defence, however, assumes greater importance compared with previous plans in view of security development in the region.

Total allocation for public sector development programmes during the Plan period amounts to $42,830 million. The share of Federal government in the total allocation amounts to $39,330 million, state governments, $1,380 million and statutory authorities, $2,120 million.

A sum of $22,765 million is provided for the economic sector, representing about 57.9 per cent of the Federal allocation. A large portion of this, amounting to $8,359 million, is for agriculture and rural development reflecting the government's objective to increase income through higher farm productivity and creation of greater employment opportunities in the sector. An allocation of $5,433 million is provided for programmes under commerce and industry, the bulk of which is for agencies dealing with restructuring programmes such as Majlis Amanah Rakyat (MARA), Perbadanan Nasional Berhad (PERNAS), State Economic Development Corporations (SEDCs), Urban Development Authority (UDA) and Permodalan Nasional Berhad (PNB) to accelerate the restructuring process, the creation of employment as well as to correct regional imbalances. The transport sector which is provided with an allocation of $4,116 million, will continue to accord priority to rural transportation and expansion of inter-urban road network. The allocation for telecommunications amounting to $1,399 million, will help meet the targets to install 1,200,000 telephones and to provide telex services for 15,000 subscribers by the end of the Plan period. In addition, the programme will also provide for an expansion of the international subscriber dialing facilities. The public utilities programmes, including energy and water supply, are provided with an allocation of $3,249 million to meet domestic and industrial consumption.

The social sector is provided with $6,388 million or 16.2 per cent of the Federal allocation. The amount provided for education and training is $2,993 million to meet the costs of new classrooms at the primary and secondary levels, new vocational and technical institutes, expanding higher education and increasing the number of scholarships and loans. The public housing programme is allocated a sum of $1,000 million to provide adequate shelter and construct more low-cost housing units for the lower income groups. The health programme, with an allocation of $365 million, will accord priority to population groups living in depressed areas, as well as areas unserved or underserved by essential health and medical services.

Under the FMP, the major objective in general administration is to improve the quality of services to the public as well as the working conditions of public sector employees. The major project include the construction of office complexes in the Federal Territory and in major towns throughout the country. An amount of $905 million is provided for this programme.

The allocation for security is $8,372 million or 23.8 per cent of the Federal allocation, substantially higher than the allocation under the Third Malaysia Plan (TMP). The programme is mainly for the build-up of the nation's defence capability and improving the capacity of the police to maintain law and order in the country.

The programmes for eradication of poverty are those aimed at increasing the incomes and improving the quality of life of the poor. Examples of such programmes are input subsidies for farmers, land development, extension services and rural roads. The allocation for poverty eradication programmes amounts to $9,319 million.

The programmes for restructuring of society are those aimed at correcting racial imbalances in the distribution of income, employment and wealth such as restructuring the ownership of the corporate sector, employment in the various sectors of the economy and real property such as commercial buildings, plantations and houses. The allocation for restructuring of society is $4,398 million.

There are programmes which contribute to both objectives. An example of such a programme is land scheme on estate basis implemented by regional development authorities. Such a scheme provides income to the poor by way of employment, and corrects imbalances in ownership of largescale land holdings. The allocation falling under this category amounts up to $301 million.

Allocation of the public sector development programme by state is based on a number of factors such as per capita state Gross Domestic Product (GDP), human and natural resources potential and past growth rates. The allocations differ from the target values. For states like Perlis, Selangor, Pahang, Trengganu, Kelantan and Sabah, and the Federal Territory, the differences are the existence of the TMP continuation projects and other large projects in the states concerned, whose whose beneficiaries are nationwide.

Tax Revenues To Rise

Kuala Lumpur BUSINESS TIMES in English 28 Mar 81 p 9

(Text)

THE revenue of the Federal Government is estimated to increase from $12,870 million in 1980 to $24,296 million in 1985, reflecting an average growth rate of 13.6 per cent per annum while that of the state governments is expected to increase from $2,178 million in 1980 to $3,500 million in 1985, showing an average annual growth of 10 per cent. Government current revenue, taken as a whole, is expected to grow at a rate of 13.81 per cent per annum for the Fourth Malaysia Plan (FMP) period, giving an estimated total amount of $113,038 million. Federal Government revenue is estimated to account for 87.2 per cent of this total and the remainder from the state government's own sources.

Direct taxes account for about 46.9 per cent of the total Federal Government revenue, indirect taxes 49.3 per cent and non-tax revenue 4.8 per cent. Receipts from direct taxes are estimated to grow at an average rate of 15.8 per cent per annum during the Plan period. Major components of direct taxes include taxes on income from individuals, companies and petroleum and these together account for almost 96 per cent of total direct taxes. The increase in income tax receipts is explained by the increase in the number of tax payers, number of companies paying profit tax and the growth of petroleum income tax payments.

Revenue from indirect taxes is expected to increase from $6,657 million in 1980 to $11,977 million in 1985 reflecting an average growth rate of 12.1 per cent per annum during the period. Cumulatively, indirect taxes are estimated to amount to $49,623 million during the FMP period compared with $24,20m million received during the Third Malaysia Plan (TMP). The growth in indirect taxes is explained by the increase in collections, particularly from traditional sources such as export and import duties and surtax. Export duties are expected to increase due to higher prices for rubber and tin, and the introduction of the petroleum export tax in 1980. Export duties from these commodities are expected to grow at an average annual rate of 13.3 per cent during 1981-85, accounting for about 30 per cent of total indirect taxes. Import duties are expected to grow at an average annual rate of 9.7 per cent during the period, contributing about 23 per cent to total indirect taxes. The increase in receipts of import duties is due to higher prices of import commodities and higher taxes imposed on certain imported commodities to encourage import substitution industries. The growth of both export and import duties and other domestic indirect taxes also reflects an increase in the volume of domestic and foreign trade and rapid growth of domestic production.

The current surplus of the Federal and state government and public authorities amounts to $10,951 million for the 1981-85 period which is more than one-third of the current surplus during the TMP. As development expenditure is targeted at $23,829.8 million, the overall deficit is estimated to be $21,578.8 million.

The deficit of $21,578.8 million is to be financed through domestic and foreign borrowings. Domestic borrowing in the form of Government securities and Treasury bills is projected at about $18,800 million or 70.8 per cent of the financing requirements during the FMP. As in the TMP, Employees Provident Fund (EPF) will continue to be the main subscriber to Government securities and Treasury bills accounting for about 58 per cent of the domestic resources to be mobilised while the remainder will be financed by other financial institutions which include the National Savings Bank, insurance companies, discount houses, merchant banks, finance companies, Social Security Organisation (SOCSO) and public authorities.

The amount of net external borrowing, both market and project loans is estimated to be $4,000 million or 15.5 per cent of the financing needs compared with $3,907 million or 22.5 per cent obtained during the TMP. The balance of financing requirements of $2,378.8 million will be met from the use of accumulated assets and special receipts. The bulk of the foreign borrowing will come from institutional sources such as the World Bank, Asian Development Bank and Islamic Development Bank. Although Malaysia continues to enjoy a high credit standing among the international financial community, the amount of market borrowing will be determined as the need arises so as to take advantage of favourable market conditions.

The amount of external borrowing targetted will lead to an average external debt service ratio of 2.4 per cent during the FMP which is relatively low compared with other developing countries. The diversity of the export structure, the growth of the economy and the level of international reserves coupled with the low level of debt service ratio will enable Malaysia to continue to maintain its high credit standing.

AGGREGATE OUTPUT AND INCOME, 1980-85 ($ million)

	1980	1985	Average annual growth rate (%) '81-85
Real output			
Exports of goods and non-factor services	11,253	17,899	9.7
Production for domestic use	14,935	19,925	5.9
Real gross domestic product at purchasers' value	26,188	37,824	7.6
At current prices			
Export of goods and non-factor services	30,837	68,888	17.4
Production for domestic use	19,536	28,203	7.6
Gross domestic product at purchasers' value	50,373	97,091	14.0
Purchasing power			
Exports of goods and non-factor services	12,825	20,303	9.6
Production for domestic use	14,935	19,925	5.9
Real gross domestic product at purchasers' value	27,760	40,288	7.7
Population ('000)	14,261.2	16,179.5	2.6
Real gross domestic per capita	1,947	2,486	5.0

GROSS DOMESTIC PRODUCT BY SECTOR OF ORIGIN, 1980-85

Sector	1980	Share of GDP (%)	1985	Share of GDP (%)	Average annual growth rate (%) 1981-85
Agriculture, forestry and fishing	5,809	22.2	6,720	17.8	3.0
Mining and quarrying	1,214	4.6	1,607	4.3	5.8
Manufacturing	5,374	20.5	9,040	23.9	11.0
Construction	1,186	4.5	1,824	4.8	9.0
Electricity, gas and water	592	2.3	953	2.5	10.0
Transport and storage	1,696	6.5	2,492	6.6	8.0
Whole and retail trade, hotels and restaurants	3,295	12.6	4,841	12.8	8.0
Finance, insurance real estate and business services	2,155	8.2	3,079	8.1	7.4
Government services	3,398	13.0	5,228	13.8	9.0
Other services	657	2.5	948	2.5	7.6
Less: imputed bank services charge	308	—	1,092	—	—
Plus: import duties	1,120				
Equals: DDP at purchasers' value	26,188	—	37,824	—	7.6

COMMODITY EXPORTS 1980-85

	1980 (Estimated)	1985 (Projected)	Average annual growth rate (%) 1981-85
RUBBER			
Volume ('000 tonnes)	1,620	1,660	0.3
Unit value (¢/kg)	300	490	10.3
Value ($m)	4,860	8,036	10.6
TIN			
Volume ('000 tonnes)	70	66	−1.2
Unit Value ($/tonne)	35,717	45,788	5.1
Value ($m)	2,304	3,022	3.8
SAWLOGS			
Volume ('000 cu.m)	13,900	10,300	−5.3
Unit value ($/cu.m)	175	295	11.0
Value ($m)	2,433	3,098	4.9
SAWN TIMBER			
Volume ('000 cu.m)	3,500	4,100	4.4
Unit Value ($/cu.m.)	370	577	9.3
Value ($m)	1,221	2,367	14.2
PALM OIL			
Volume ('000 tonnes)	2,260	3,573	9.6
Unit value ($/tonne)	1,140	1,326	3.1
Value ($ million)	2,576	4,738	13.0
CRUDE PETROLEUM			
Volume ('000 tonnes)	11,822	13,708	3.0
Unit value ($/tonne)	609	1,281	16.0
Value ($m)	7,200	17,560	19.5
COPPER			
Volume ('000 tonnes)	113	110	−0.5
Unit value ($/tonne)	1,000	1,942	14.2
Value ($m)	113	214	13.6
PEPPER			
Volume ('000 tonnes)	36	51	7.2
Unit value ($/tonne)	3,800	4,470	3.3
Value ($m)	136	228	10.9
CANNED PINEAPPLE			
Volume ('000 tonnes)	53	57	1.5
Unit value ($/tonne)	1,358	1,509	2.1
Value ($m)	72	86	3.6
COCOA			
Volume ('000 kg)	23,644	72,156	25.0
Unit value (¢/kg)	800	875	1.8
Value ($m)	189	631	27.3
LNG			
Volume ('000 tonnes)	—	4,000	—
Unit value ($/tonne)	—	821	—
Value ($m)	—	3,284	—
MANUFACTURES			
Value ($m)	5,865	17,370	24.2
OTHER COMMODITY EXPORTS			
Value ($m)	1,274	2,496	14.4
TOTAL GROSS COMMODITY EXPORTS:			
Value ($m)	28,445	63,130	17.3

GROWTH OF MANUFACTURING INDUSTRIES (1981-85)

	Average annual growth rate (%) 1981-85
Food products	8.1
Beverages and tobacco	6.0
Textiles	8.0
Timber-based products	8.0
Paper and printing	14.0
Industrial chemicals	10.0
Chemical and plastics	10.0
Rubber products	12.0
Petroleum products	15.0
Cement	13.0
Other non-metallic	5.0
Electrical machinery	15.0
Transport equipment	7.0
Other manufactures	20.0

ALLOCATIONS: ERADICATION OF POVERTY AND RESTRUCTURING OF SOCIETY (1981-85)[1] ($m)

Sector	Poverty	%	Restructuring	%	Overlapping[2]	%	Total	%
Agricultural and rural dev.	6,245.5	15.9	250.1	0.6	218.3	0.6	6,713.9	17.1
Commerce and industry	274.7	0.7	3,455.0	8.8	—	—	3,729.7	9.5
Social	1,157.9	2.9	692.5	1.8	82.2	0.2	1,932.6	4.9
Infrastructure	1,641.1	4.2	—	—	—	—	1,641.1	4.2
TOTAL	9,319.2	23.7	4,397.6	11.2	300.5	0.8	14,017.3	35.7

[1] Based on the Federal allocation of $39,330 million for the PMP

[2] Programmes and projects contributing to both poverty eradication and restructuring of society.

PUBLIC DEVELOPMENT ALLOCATION BY STATE, 1981-85

State	Optional target (%)	Target value ($ million)	Allocation ($ million)
Johore	11.60	3,656.83	2,929.18
Kedah	8.11	2,556.63	2,388.68
Kelantan	6.88	2,168.88	2,847.75
Melaka	3.62	1,141.19	939.76
Negri Semb	5.44	1,714.93	1,131.19
Pahang	7.10	2,238.23	2,944.00
Perlis	0.91	286.87	304.16
Perak	10.66	3,360.51	2,834.04
Pulau Pinang	4.82	1,519.48	1,236.02
Sabah	9.90	3,120.92	3,172.35
Sarawak	10.90	3,436.16	2,608.15
Selangor	8.19	2,581.85	3,676.76
Trengganu	4.51	1,421.75	2,023.11
F. Territory	7.36	2,320.20	2,489.28
Multi-State	—	11,305.07	11,305.07
TOTAL	**100.00**	**42,829.50**	**42,829.50**

REVENUE OF THE FEDERAL AND STATE GOVERNMENTS, 1981-85 ($m)

	1980	1985	Cumulative 1981-85 growth rate (%	Average annual
Direct taxes	5,466	11,371	45,195	15.8
(a) Income taxes	5,121	10,896	42,908	16.3
— Individuals	1,250	2,971	10,684	18.9
— Companies	2,276	5,517	20,464	19.4
— Petroleum	1,595	2,408	11,760	8.6
(b) Petroleum royalties/ cash payments	295	425	2,034	7.6
(c) Others	50	50	253	—
Indirect taxes	6,457	11,927	48,622	13.1
(a) Export duties	2,420	4,492	18,990	13.2
— Rubber	1,035	2,096	8,269	15.2
— Palm oil	232	317	1,422	6.4
— Tin	470	738	2,903	9.4
— Petroleum	650	1,291	6,169	14.7
— Others	33	50	227	8.7
(b) Import duties and surtax	1,686	2,678	11,336	9.7
(c) Excise duty	994	2,332	8,667	18.6
(d) Sales tax	647	1,321	5,019	15.4
(e) Road tax	378	625	2,615	10.6
(f) Others	332	479	1,995	7.6
Non-tax revenue	947	1,000	4,720	1.1
Total Federal government revenue	12,870	24,298	98,537	13.6
State governments revenue	2,178	3,500	14,499	10.0
TOTAL FEDERAL AND STATE GOVERNMENTS REVENUE	15,048	27,796	113,036	13.1

CSO: 4220

DATUK RAHMAN RESIGNS AS SARAWAK CHIEF MINISTER

Kuala Belait BORNEO BULLETIN in English 28 Mar 81 pp 1, 40

[Excerpt]

KUCHING. — The end of an era came to Sarawak politics this week when Chief Minister Datuk Patinggi Tan Sri Haji Abdul Rahman Ya'kub resigned.

He had been the man at the top for more than a decade — he was elected the man in the position on July 7, 1970.

Datuk Rahman, 53 in January, announced on Wednesday his resignation was effective from Thursday, with his nephew, Datuk Amar Haji Abdul Taib Mahmud, 44, ex-Federal Territory Minister, being sworn in then as his replacement.

Although Datuk Rahman — who underwent a major heart operation in London last October — has said farewell to the leadership and several other important jobs with it, he won't be completely bowing out of the Sarawak scene.

He is expected to become the new head of state (the Yang Dipertua Negeri Sarawak) soon.

Apart from relinquishing his Chief Minister's reins, Datuk Rahman has also passed over the leadership of the Parti Pesaka Bumiputera Bersatu Sarawak to Datuk Taib, who was formerly its deputy president.

As well, Datuk Taib becomes chairman of the National Front in Sarawak and in another position previously held by his uncle, head of the Bintulu Development Authority. Datuk Rahman had led the authority since its inception just over two years ago.

A further part of Datuk Taib's load of responsibility is he has become Minister of Lands and Mineral Resources.

This portfolio had been held by Datuk Alfred Jabu.

He has been switched to Minister of Housing, a job previously handled by Datuk Rahman but in recent months, in an interim capacity, by Forestry Minister Datuk Haji Noor Tahir.

In making the switch, Datuk Jabu retains his Deputy Chief Minister's ranking.

This was just one of a flurry of Cabinet changes carried out last week and this week, coinciding with Datuk Rahman's departure and Datuk Taib's arrival.

Datuk Dr Wong Soon Kai and Encik Daniel Tajem, for instance, swapped portfolios.

Datuk Wong is now Minister for Communications and Works while Encik Tajem has become Agriculture and Community Development Minister (but retains his status of a Deputy Chief Minister).

Assistant Minister of Culture, Youth and Sports Abang Ahmad Urai has become Assistant Minister for Agriculture and Community Development, while the former man in that post, Encik Ambrose Gramong, is now Assistant Minister for Lands and Mineral Resources—a newly created post.

Assistant Minister for Communications and Works, Mr Chong Kiun Kong, was appointed Assistant Minister for Local Government, while the man who held that position, Mr Michael Ben, has replaced Abang Ahmad Urai in the Culture, Youth and Sports Ministry.

The Minister for Culture, Youth and Sports, Encik Celestine Ujang, has been named as the new Speaker of the Dewan Undangan Negeri Sarawak.

The current speaker, Abang Abu Bakar, will become federal Minister for Health. To do so, he will vacate his Satok state seat effective April 1.

CSO: 4220

DIRECT TRADE RELATIONS TO BE ESTABLISHED WITH CHINA

Kuala Lumpur NEW STRAITS TIMES in English 24 Mar 81 p 6

[Text]

MALAYSIA intends to set up government-to-government trade relations with China to ensure direct trade between the two countries, Acting Prime Minister and Trade and Industry Minister Datuk Seri Dr Mahathir Mohamad said yesterday.

The direct trade relations, he said, would eliminate the need for both the countries to use third countries.

Replying to Datuk Hishamuddin bin Haji Yahaya (NF-Maran), Datuk Seri Dr Mahathir said another advantage of government-to-government contacts was that trade opportunities could be distributed equally among Malaysian businessmen of all races.

Lower costs

He said Pernas Trading Sdn Bhd was set up in 1971 to improve trade relations between Malaysia and China and it was responsible for arranging trade missions between the two countries.

Since 1971, 19 trade missions, which included 127 bumiputra businessmen, visited China.

These missions gave bumiputra businessmen opportunities to go to China at lower costs.

The exchange of trade missions, Datuk Seri Dr Mahathir said, had resulted in an increase in trade between Malaysia and China.

In 1971, total direct trade between both countries amounted to $8.3 million. The figure increased to $649.6 million last year.

Datuk Seri Dr Mahathir said 11 bumiputra companies were presently involved in the China trade.

Two of these companies imported directly from China while the rest traded through agents from third countries.

He said the balance of trade was in favour of China before the setting up of Pernas Trading but it had now levelled.

To a supplementary question by Mr Chan Teck Chan (Ind-Kota Melaka) Datuk Seri Dr Mahathir said Pernas gave opportunities to all businessmen who wished to trade with China, to go with the trade missions.

Reluctant

"If some businessmen were to go more often, it would not be fair to others," he added.

To another question from Encik Muhiyiddin Haji Mohamed Yassin (NF-Pagoh), Datuk Seri Dr Mahathir said it depended on bumiputras themselves if they want to increase their business in the China trade.

Encik Muhiyiddin had asked whether the Ministry was aware that the Chinese preferred to trade with traditional partners and were reluctant to trade with bumiputra businessmen.

Datuk Seri Dr Mahathir said it was common all over the world for businessmen to trade with their traditional partners.

He said before the appointment of Pernas Trading, there were no bumiputra businessmen involved in trade with China.

CSO: 4220

SHELL OFFICIAL OPTIMISTIC ABOUT ENERGY POTENTIAL

Kuala Lumpur BUSINESS TIMES in English 26 Mar 81 pp 1, 20

[Excerpt]

SHELL, one of the two oil contractors currently producing oil in Malaysia, claims Malaysia will have sufficient supply of oil for the next 30 years or more at the present rate of production.

The outlook is even more promising if one makes optimistic assumptions about new discoveries and increases in oil recovery through the use of supplementary techniques. Domestic oil supply could, on these assumptions, be stretched even further into the next century.

The claim was made yesterday by Drs Hans Dumolin, planning manager for Shell companies in Malaysia. He was briefing a group of civil servants attending a two-week course at the National Institute of Public Administration (Intan) in Petaling Jaya.

He also claimed that Malaysia would remain a net energy exporter well into the next century. This was in view of the fact that even though it may have to import oil, its exports of natural gas would yield a large revenue. This would mean export earnings from hydrocarbons would continue to be higher than the outgo on imports.

Petronas takes the view that Malaysia would become a net oil importer by 1987.

Drs Dumolin emphasised that the forecast took into account the increase in consumption in the country, estimated at about 8.5 per cent per annum.

At the moment the consumption of petroleum products in Malaysia is about 160,000 to 170,000 barrels a day, and it is expected to increase to about 280,000 to 290,000 barrels a day by the end of the decade.

Drs Dumolin noted that Malaysia would continue to maintain an average economic growth rate higher than that of the OECD countries. The country's long-term perspective plan assumes that the Malaysian economy would grow at an annual average of 6.2 per cent.

Based on the current rate of production and consumption, and making optimistic assumptions about new discoveries and increasing the recovery of oil through new and improved techniques, Drs Dumolin asserted "Malaysia is not running out of oil."

He pointed out that Malaysia had a very rich resource base, particularly in relation to the size of the population. He added that it had a number of options of energy available to it, including, hydro, natural gas and coal. (Malaysia at the moment is adopting a four-fuel strategy, covering oil, natural gas, hydro power and coal.)

Referring to natural gas, he said: "The era of natural gas is about to begin. There is at least three times as much as natural gas as oil, possibly even four times."

Petronas estimates that Malaysia has sizeable reserves of natural gas. Recoverable reserves of non-associated gas have been estimated at over 30 trillion standard cubic feet, which is equivalent to more than five billion barrels of oil. This compares with the Petronas estimate that the remaining recoverable reserves of oil are 1.8 billion barrels.

Drs Dumolin noted that gas exports from Malaysia, which will commence in 1983 from Bintulu in the form of LNG to Japan, would be small in relation to the total reserves.

He estimated that by the end of the decade gas exports from Malaysia would amount to about 150,000 barrels of oil equivalent a day. Malaysia's gas exports would then be much higher than its oil imports.

Referring to Malaysia's happy position as an energy-rich country, Drs Dumolin noted that the remaining large gas reserves plus enormous hydro electric potential in Sarawak meant that Malaysia had a range of choices to meet its future energy requirements.

CSO: 4220

CONSTITUTIONAL REFORMS AFFECT NATIONAL LEGISLATURE, CABINET

Kuala Lumpur BUSINESS TIMES in English 1 Apr 81 p 7

[Article by Aditya Man Shrestha in Kathmandu]

[Text] KING Birendra has fulfilled his promises by introducing three political reforms in the Nepalese Constitution.

The promises relate to three norms of a parliamentary democracy: election of the national legislature by popular vote, election of the prime minister by the members of the unicameral legislature and responsibility of the government to the popularly elected legislature.

Although these provisions have now been technically incorporated in the 20-year-old Constitution by the third amendment effective last Dec. 16, they are far from clearly stated as in a purely parliamentary form of government elsewhere in the world.

The popular election has been compromised, for example, by prescribing some restrictions on the candidates. Aside from the age requirement of more than 25 years old, prospective candidates must be members of the six class organisations prescribed by the Constitution.

These organisations which have political overtones are peasants, workers, women, youth, adult and ex-servicemen. As they smack of the old values of political conservatism and guided democracy they have given rise to fears that they are intended to keep the "bad boys" out of the political fray.

However, serious efforts are being made to dismiss such fears. Officials are calling all political forces, including the dissidents, to abide by the amended Constitution and join the national elections scheduled to be held in May on a one-man one-vote basis.

Supporters of the new constitutional reforms argue that it is only a semblance of the victory of the Nepalese panchayat (village political system) over the multi-party system during the May 1980 referendum. Thus, the membership of the class organisation should be taken for granted by all willing to participate in the coming general elections, they assert.

The other significant feature of the change is that the Nepalese prime minister will henceforth be elected by the National Assembly not by simple majority but by 60 per cent of the members. To be a candidate for premiership, one has to muster the support of 25 out of the total 140 members of the legislature.

Since there is no political party functioning in Nepal, the operation of the premier's election is bound to be a little complicated. Keeping perhaps such a complex eventuality in mind, the new Constitution provides that a fresh contest will take place between two candidates securing the highest and the second highest number of votes in case nobody is able to garner 60 per cent of the parliamentary votes.

If neither of the two candidates again fails to get 60 per cent, the National Assembly will submit a list of three names to the King for selection and appointment of the prime minister. What seems likely in the prevailing situation of Nepal is that the third option will come in practice more frequently than the others.

This possibility looks more probable against the background of the composition of the national legislature. It is composed of 140 members, 112 of whom will be elected by popular ballot and the remaining 28 nominated by the King. A prime minister will have to secure 84 votes to be elected by the National Assembly. It means he will have to get 75 per cent of the popularly elected representatives if he wants to discount the influence of the royal nominees. It is difficult, if not impossible, to imagine any politician in Nepal to command such an overwhelming support at the polls merely on his own.

Once elected, it is equally difficult to oust the prime minister. The Constitution provides for yet another 60 per cent majority to unseat him. And that sounds equally difficult to achieve.

Although the Cabinet is collectively and individually answerable to the legislative body, the new amendment empowers the King to dismiss them outright without rhyme or reason. The Cabinet, thus, cannot but have double loyalty to the popularly elected body on the one hand and to the King on the other. How such a government will function effectively is open to several questions.

The Cabinet's dual responsibility is interpreted here as an accommodation to special conditions obtaining in Nepal, in which the people's representatives are to share power with the King. As the people voted for the panchayat system with reforms against the multi-party system in the 1979 referendum, the King had the mandate to reserve a part of the sovereign authority unto himself. And this he did under the new changes. But he was, nevertheless, committed to make constitutional concessions for a responsible government which came to close scrutiny and control of the representatives of the people. That, too, he has fulfilled with grace.

The new constitutional changes have indeed some liberal trappings but with an equal amount of vulnerability. Depthnews

ISOLATION OF PRESIDENT WIDENS DISTANCE FROM PEOPLE

Lahore CHATAN in Urdu 23 Feb 81 pp 7 and 8

[Article by Rafiq Anwari: "A Straight Talk"; /Every Possibility of a Clash Between Intentions and Demands Should Be Removed; How Long Is Pakistan Going to Remain in Experimenting Ground; If This Distance Continues, We All Will Be Sorry/--passage enclosed in slantlines printed in boldface]

[Text] The valuable opinions expressed by the President of Pakistan in Multan a few days ago truly reflect his sincerity and good intentions. The ideas of the president have been reported as news, but no one has taken the trouble to comment on them constructively even though the president has said several times that he is always ready to welcome a healthy and constructive criticism of his opinions and actions. Referring to law enforcement and public peace, the president said that the government was determined to stop lawlessness. With due respect, all we want to say is that instead of putting a check on lawlessness, if the government took action to counteract the measures that give birth to lawlessness the consequences might be more fruitful for the country and the society. If every individual in this country was given the means to lead an honorable life, he would never even think of breaking the law. This country is not the inherited property of any one single person, group or tribe; it is the motherland of everyone who regards it as such and loves its soil. Whenever someone breaks the law, there is always a reason, a perspective, because no one dares break the law simply for fun. If we want to put into words the feelings of the nation, we can say that what the whole country wants above all at this point is peace and quiet in social and economic terms. If this wish of the people is fulfilled in a peaceful manner, no negative thoughts can enter their minds. We have moved in different circles of people with different trends of thought, we have associated with them closely and understood their feelings. People don't care if there are elections in the country or not. Among the people, the sentiment is very strong that since the establishment of Pakistan, they have many times let themselves be nailed to the cross of elections. The wasted sacrifices have pushed them to the point where they get agitated even at the mention of elections. Anyway, there may come a day when circumstances will be right to hold just and fair elections, as a result of which the power vested in the elected public representatives might be used for the good of the country.

There is nothing wrong, as such, in holding elections. In reality, voting is a sacred democratic institution and there certainly will be a day when conditions will be ripe for us to meet the demands of that sacred institution. As far as the excesses committed in the elections are concerned, we believe that the gravity of the institution has been defiled by a few of our power-hungry politicians. The most recent elections offered the worst examples of that tendency. As a consequence of what went on during those elections, you, Mr President, had to take the reins of administration and step in along with the army. In order to protect our solidarity, you imposed the martial law and thus saved the sinking ship of the nation.

Imposing martial law has been a very unpleasant thing for you to do, Mr President. You had promised the country elections and, in accordance with that promise, you tried once or twice to hold elections. But again the politicians moved to the forefront and mounted their campaigns of greed and self-interest. As a consequence, you had to pull the carpet from under them and cancel the elections. At that time we praised your course of action and said that if elections were held under those circumstances and some kind of government was formed, the end result would be even more detrimental to the country.

In our view, our circumstances have not changed to the point where we should start beating the election drums again only to have the whole nation pay homage to some Ali Baba and his forty thieves. We agree with you, Mr President, when you say that the nation's prime need at this point in time is unity, not elections.

The question facing us now is how we can best pave the way for a democratic environment in the country even without elections. We know that you are a great proponent of democracy and you have often expressed your desire for a democratic system. It was this desire that made you take practical steps to hold the overdue municipal elections. You also promised to appoint a national council. This promise has gone undelivered for a very long time, but now there is some hope of it being fulfilled. You regard the national council, which you will appoint or select, as a body serving remarkably useful functions, but we think that a stop-gap measure like that is not likely to cure the sickness that has begun to inflict the health of our democratic system. The experiment of a national-level council may not altogether fail, but to make it really work would be a historic feat of your ideology and character. Anyway, whatever you intend to do in this regard, Mr President, please do it. Even if your measures do not heal the nation, they will certainly lessen to some degree the pain now suffered by it.

Sir, you should never forget that it is in no one's power to stop the facts from circulating and that information has a tendency to get around. No king or emperor has been able to attain such power, the simple reason being that no one person can control the communication media of the entire world. Nor does that media believe in merely skimming over or compromising truth and facts.

There is no doubt in our mind that the censorship imposed by you does not serve your personal interests; it is for the greater good of the country. But the fact of the matter is that the censorship has created a distance between you and the people. On the day you announced your decision to impose restrictions on the freedom of speech, we commented and said that the seed of censorship would one day grow into a killer plant. But the officials of your administration dutifully laundered our statement in such a way that not the slightest trace of our intended meaning could be found in it. Even today, it has taken a lot of courage on our part to address you. If any of our views reach you, please see reflected in them, Mr President, the public's thinking on future direction of the country.

You have said again and again that writers and journalists are free to comment on and criticize your actions, but, Sir, you perhaps have not realized in all seriousness the consequences of truly free speech. There may not be an apparent ban on us to tell the truth, but the gracious and invisible souls, i.e., the secret agents to whom you have entrusted the task of reporting to you, are overly sensitive and thin-skinned indeed. They are not tyrants, but they are extremely inept and cowardly. They clip the wings of the messenger pigeons who must reach you. May we, therefore, suggest to you with all due respect that you lift now the censorship and let our speech be free. (Couplet: "Never was it so hard for me to say the things I wanted to say; Never before was your opposition so stiff as now.")

Your intentions are, no doubt, noble, but the questions we have before us are: What do the people want? What are the demands of our time? If there is any danger of a clash between your intentions and the desires of the people, you should be open about it and acknowledge the clash so that the danger of destruction that could result may be avoided.

What kind of a life structure does Islam allow? What does the concept of democracy entail? In accordance with the founding principles of Pakistan, who should rule the country? What kinds of changes should we make in our foreign and domestic policies in view of the rapidly changing conditions in the world? In economic, social and political terms, what kind of an environment will be most suitable for Pakistan? All these are questions that we need to discuss. As long as we are not free to speak or write, these questions will remain unaddressed. It will be in our interest to establish a rapport between you and the people, a rapport that can pave the way for mutual understanding and communication. There is only one way to achieve this--by not restricting the heartbeats of the people. Those who have their finger on the pulse of the nation and understand the feelings of the common man should be able to approach you directly. If the void continues, the distance between you and us will remain as it is and we all will suffer its sad consequences.

9612
CSO: 4203/46

CRACKDOWN ON HOSTILE ELEMENTS, NOT CENSORSHIP, NEEDED

Lahore CHATAN in Urdu 23 Feb 81 p 6

[Article by Mubashar Akhtar: "No Society Can Live in a Void"; /At the National and Public Levels, Unity Is Crucial; Restrictions on Free Expression Pave the Way for Underground Activities/--passage enclosed in slantlines printed in boldface]

[Text] Every patriotic Pakistani truly feels that at this time Pakistan cannot afford any anarchy or upheaval. But it is a very distressing fact for both the country and the administration that censorship has created a very large gap between the government and the public. The people now pay attention to the foreign information media, and the foreign media to which the Pakistani public has access spreads rumors and falsehoods because that is its objective. People are being fed all kinds of propaganda about political parties that no longer exist and the leaders of such parties. No society can stay in the grips of uncertainty for long; no nation can live in a void. To have a system of one sort or another is imperative. Over the past 3 years or so, the uncertainties around us have grown. To this day no one knows what is going to happen next and where we are headed.

A transition, moreover, can be a source of satisfaction to the people only if they are rid of their troubles and the problems that they face become less severe.

Sometimes we feel that the president and his associates have no awareness of the facts and that the information that is fed to them is not in line with reality. In various circles, opportunist and selfish elements have entrenched themselves on high levels. These elements have caused the downfall of several governments, but they themselves still hold positions of authority and influence.

On 16 February, a statement by the president was published in the press. According to the president, the university ordinance was a good thing and criticizing it could serve no purpose other than mere criticism. On the same day, radio and television were broadcasting and highlighting the revisions made in the university ordinance.

The contrast between the president's statement and the revisions announced over the broadcast media was noticed by everyone and needs no comment. The apparent

conclusion is that the president is not aware of the facts. We warned earlier in these columns that there was no need for the university ordinance and that its promulgation would create problems for the government.

The protests of the students and the university faculties have supported our contentions. We say this only to illustrate the point.

What the administration is doing has merit. We agree and know very well that the enemies of Pakistan will lose no opportunity to create trouble in the country and take advantage of the situation. God forbid, there is trouble because our enemies would like to exercise a free hand.

But, contrary to this reality, we have been led by the government to believe that nothing has changed and things are normal. Censorship of expression in free societies always leads to the possibility of more underground activities. If the administration is not vigilant, antinational elements create fear and terror among the public. In our case, certain elements left the country secretly and began to engage in anti-Pakistan activities from abroad. The fact that these elements could leave the country without any difficulty does not speak well for the government. The antinational elements that remained in the country are doing secret work and propaganda in their own respective spheres without any fear of authority. Time and again these elements have been pointed out and the president himself and other leaders have made references to these enemies among us and snakes in our midst. But it seems that the present government is unable to do anything against them. Rather, the government's efforts have been directed more at presenting these elements as objects of terror. This state of affairs is a source of dismay to patriotic individuals.

We need to take effective steps to crush the factions hostile to the country. If we let the subversive elements go free, it will only increase the feeling of restlessness in our society. It is also important that the demands presented by the students and teachers be given serious consideration. The politics of trouble-making and destruction are, no doubt, deplorable, but there should be no hesitation in accepting legitimate demands.

9612
CSO: 4203/46

EDITORIAL DEPLORES SHUTDOWN OF EDUCATIONAL INSTITUTIONS

Lahore CHATAN in Urdu 23 Feb 81 p 5

[Editorial: "Why This Anguish in Our Hearts?"]

[Text] At this time, colleges, universities and other educational institutions in many cities of the country have been shut down. The sad fact is not that the institutions have been closed and the cause of education is hurting, rather it is that we do not even know the real reasons for their being closed. In the past as well universities, colleges and schools were shut down, but then the reasons were no secret. In 1977, bans on educational institutions during the agitation against the government were understandable. As things are now, people are bewildered and ask each other why the institutions have been closed this time. Because of the censorship, no one knows the facts. As a result, all kinds of wild and baseless things are being said and the rumor factories are fabricating strange, catchy stories day and night. As far as we know, at some institutions the students have expressed their views on issues that were entirely non-political. If these things had not been kept secret, we would have known the facts and there would be no grounds for rumors and supposition. In hundreds of institutions of higher learning, there are hundreds of thousands of young men undergoing instruction. For some students or student groups to vent their feelings on some issue at some place or other student not be a matter of surprise. What we need to do was to look carefully into each instance of student complaint and and satisfy their demands. Even now we should do the same thing. If the students' demands are not proper or timely, some other way should be found to resolve the situation. In Lahore a group of students, showing restraint, did not damage the buses and limited their protest to puncturing the bus tires. On the other hand, in Rawalpindi students set a bus and a truck on fire. If the facts in these two incidents were brought to light, the public would come to know right from wrong. The closing of educational institutions proves beyond any doubt that there are shortcomings in the present system. We don't see an effort at any level to gain an understanding of the students' position and establish communication with them to solve the problem in an appropriate manner. Bureaucracy has its own way of doing things, which creates problems but does not solve them.

The closing of educational institutions has given rise to the impression that perhaps a wave of discontent has spread throughout the student community,

although the reality is far from this. Some people connect the activities of the students with certain nonexistent organizations and groups; others say many other things. We have warned in these columns time and again that at no time has there been a greater need for the administration to be watchful and alert but, ironically, the lack of decision-making and rampant shirking of responsibility that are now in evidence are perhaps unprecedented. Depriving the students of instruction by closing the institutions may give us a sense of security in that the students will no longer get into any mischief. This may amount to an argument and a strategy, but such a strategy also reveals a total lack of rational thinking and mature judgment. The loss suffered by the students and their parents is, after all, the nation's loss too.

Most of the parents are in the dark as to why such a step had to be taken. In our opinion, this is not a wise course of action. The subversive or anarchist elements that have not been kept under surveillance in the past can at any time stir some trouble, and if we have to close many of our educational institutions because of that small amount of trouble, it only serves the interests of such elements. The outside world gets the impression that there certainly is something wrong; at home the people begin to believe that somewhere trouble is brewing. Time has proved that in a free society, restrictions on freedom of expression never produce the desired results, and that failure to act when action is needed produces serious consequences. In our sincere opinion, any kind of upheaval at this time will be very bad for the country. All patriotic Pakistanis should, therefore, understand the needs of our time. Along with this, the government should realize that people cannot tolerate wrongdoing and inaction for long simply because the times are delicate.

9612
CSO: 4203/46

MANPOWER EXPORT UNDIMINISHED BY IRAN-IRAQ WAR

Islamabad THE MUSLIM in English 8 Apr 81 p 1

[Article by Azhar Masood]

[Text]

ISLAMABAD, April 7: Despite the long-drawn Iran-Iraq war, Pakistan government was maintaining its pace of manpower export to the Middle Eastern countries and little over one million jobless people would be provided employment in the region during the next five years, The Muslim was informed by an official source here this evening.

The source denied any slump in the manpower export business due to the Iran-Iraq conflict and added that at present nearly 12,000 skilled workers were being sent to the Gulf States by different overseas employment agencies, including the government-run corporation.

Giving details of employment in Iraq, the source said that country, though being in war, had placed big orders for the skilled manpower and nearly 5,000 persons were being sent there every month.

The source further revealed that for the years (1981 and 1982) the government had set up a target of sending 200,000 to 250,000 men abroad. This target can shoot up to one million by 1985", he added.

The source said that besides these markets, new areas were also being explored by the Bureau of Emigration. Explaining the new areas, the source expressed the hope that some of the African countries, including Nigeria, Zambia, Uganda and newly-liberated Zimbabwe, would absorb Pakistan's skilled manpower in fairly good number in the years to come.

To a question about the mode of searching markets in the African continent the source said that in the near past the government had sent delegations for the purpose and more delegations were due to leave soon.

CSO: 4220

CABINET REVIEWS PRICE, SUPPLY SITUATION

Islamabad THE MUSLIM in English 13 Apr 81 pp 1, 8

[Text]

RAWALPINDI, April 12: The Federal Cabinet, which met here today under the chairmanship of President Ziaul Haq, reviewed the price situation and noted that by and large prices of almost all commodities remained normal during the period from December, 1980, to March 1981 and reasonably lower than those prevailing in neighbouring countries.

A comparative study of retail prices of some selected items as prevailing in Pakistan and India in March 1981 was also given as shown in the table.

It was also noted that no serious shortage in supply of any essential commodity was experienced in any part of the country. In fact availability of many articles was higher than that of the corresponding period last year. The Cabinet also noted that pulses such as Moong, Masoor, and Mash were available in adequate quantity to meet the requirement.

It was decided that Utility Stores should be allocated adequate quantity of rice for sale to the consumers.

It was also decided that Pakistan Agricultural Services and Services and Supply Corporation should keep on selling pulses through the Utility Stores.

The Cabinet after detailed and in-depth study of main causes of escalation in prices of meat, reviewed steps already taken for increasing production of livestock products and approved a number of short and long-term measures for establishing livestock industry on scientific lines and to increase production of quality meat in the country to meet projected demand and stabilise the prices.

The Cabinet decided that the Ministries of Industries and Finance would take measures to immediately reactivate closed canneries. It was also decided to adopt strict measures to stop smuggling of live animals and meat outside the country. Highest priority would be given to increase poultry production in private sector.

Commodity	Unit	Retail price in Pak Rs.		Percentage decrease in Pakistan
		Pakistan March 1, 1981	India March 1 1981	
Wheat (Open Market)	Kg.	1.84	3.35	38.7
Wheat Flour (Open Market)	Kg.	1.80	3.00	40.00
Mustard Oil	Kg.	11.10	19.85	44.1
Vegetable Ghee	Kg.	10.85	19.24	43.5

Some of the long-term measures include earmarking of useable portions of newly developed lands and range lands for sheep and goats and cattle-raising and for establishing commercial feed lot units.

In order to reduce the cost of livestock feed and consequently the prices of its products, the agro-industrial by-products like bagasse, pith, molasses urea, fruit and vegetable wastes would be appropriately used as livestock feed.

Since fodder crops play a vital role in livestock production, it has been decided to activate research for evolving high varieties of fodder crops. The PARC and provincial agricultural research institutes will undertake research on fodder crops on priority basis.

The existing government livestock farms/livestock experimental stations would, in addition to their normal duty of conducting research on different aspects of livestock production, provide genetic pool for improvement in genetic potential of livestock.

The Federal Ministries of Agriculture and Industries were directed to carry out a comprehensive exercise to see how best the livestock industry could be established and what measures are considered necessary to improve dairy farming in the country.

ARBITRATION ACT: The Cabinet approved amendment to Arbitration Act 1940, binding upon an Arbitrator to put down in writing the grounds for his award. This would enable the government to concede any question of law arising out of the award. In case the government felt sufficient reasons had not been granted the award would be referred back to the arbitrator to elaborate clearly the reasons leading to the award.

KOHISTAN DEVELOPMENT: The Cabinet was apprised of the progress of development work being done in Kohistan Area in NWFP by the Kohistan Development Board. The Cabinet expressed satisfaction over the implemantation of the development plan.

The Cabinet reviewed functioning of Federal Inspection Commission and found its work satisfactory.

The Cabinet meeting, which lasted over nine hours, also discussed the internal and external situation.– APP

CSO: 4220

EDITORIAL DEPLORES COLUMBIA FLIGHT

Islamabad THE MUSLIM in English 17 Apr 81 p 5

[Editorial]

[Text]

AFTER taking a round of 36 orbits in about 54 hours, the U.S. Spaceship Columbia is back amidst its own people including the rejoicing Congress with bloated ego and the beaming NASA scientists, the creators of the "flying brickyard". This 1,403-ton mass, an outcome of ten years' laborious mental and physical exercise and testing moments has become the latest wonder. Slicing its way through the searing heat, glowing with more than 2,750 degree Fahrenheit temperature, it made an awe-inspiring, and flawless pilot controlled landing at the Edwards airbase in Majove desert in California on Tuesday. This was simply breath-taking.

Columbia, which consumed about 10,000 gallons of fuel per second and required a pressure of 5,750,000 lbs when it headed for its maiden journey, has the capacity to carry large pay-loads and passengers into space. This spaceship is unique because it will not be thrown away as a used tissue. It will not be discarded like the other spacecrafts. The re-useable machine has opened new vistas of scientific and industrial development. The U.S. cannot but be proud – more so because now it leaves its only space competitor, the Soviet Union, years behind in the space field.

No other words – not even those of the biased Dr. Vladimir Shatalov, Head of Cosmonaut Centre in the Soviet Union, who reportedly called Columbia, a "great tragedy" – can define this massive multipurpose flying-coach better than the U.S. coined name "Mean Machine Columbia". This is the title of a country and western song, to which John Young and Robert Crippen, the two astronauts woke up after their first sleep, in the space. While the Soviets see the mission in the context of U.S. extension of the arms race into space and an attempt to offset the military balance, the Third World sees it as an exceptionally selfish and extravagant attempt of a Super-Power, on which millions of gallons of fuel has been wasted. The fact that today a barrel of oil costs 40 dollars, magnifies this egotistical exercise of a prosperous Super-Power to an ugly and horrifying dimension.

As the Third World countries in their attempt to wrestle out of poverty and squalor, seek an alternative in nuclear energy, the U.S. covertly pressurises the Third World governments against their interests by various means. Had the U.S. diverted its mind, manpower, money and material resources to tackle the clamant needs of the Fourth World, it would have evoked a different response from the indigent nations inhabiting two-thirds of this divided globe.

CSO: 4220

BALUCHISTAN LEADERS CONDEMN TERRORISTS

Karachi DAWN in English 24 Apr 81 p 6

[Text] Quetta, April 23--A representative gathering of Tribal leaders, elected councillors and chairmen of various Union Councils has condemned the threats of terrorism hurled by the traitors operating from foreign soil and on the instigation of their foreign masters. It urged the people to be aware of the enemies of the country and should be united on one platform to frustrate their heinous intentions to undo Pakistan which we have achieved after tremendous sacrifice.

The gathering, through a resolution demanded that the Pakistan Government should take measures to bring these traitors home and try them for high treason against the State. It also urged the Government to crack down on all such anti-State elements and should see that they do not succeed in wrecking the unity of the people or damaging the country.

The meeting was presided over by Mir Abdul Nabi Jamali, a former senator.--APP

CSO: 4220

UN MAY PROVIDE AID FOR BALUCHISTAN HEALTH, CHILD CARE FACILITIES

Lahore THE PAKISTAN TIMES in English 11 Apr 81 p 8

[Text]

QUETTA, April 10: The United Nations would provide assistance worth over Rs. 350M. for implementation of the programme to provide better health and sanitation facilities and child care in Baluchistan.

This was stated by Dr. Remon A. D. Harmano, the UNICEF representative in Pakistan, while talking to newsmen at the Quetta Airport soon after his arrival here on a six-day visit of Baluchistan.

He said that they would discuss with Provincial Governor Lt-Gen. Rahim-ud-Din Khan and other senior officials of the Provincial Government the details of five year Baluchistan Integrated Area Development Programme being launched in the Province from the next year.

Dr. Harmano, who is leading a six-member mission, said that under the programme mobile teams will be organised to impart training, particularly to women, for educating rural children in view of scattered population of Baluchistan. He said under the programme basic facilities to 640 selected villages in each of the 16 districts of the Province will be provided.

He said that the programme also envisaged proper training to mothers in child care.

Replying to a question, he said that substantial amount of the UNICEF assistance to Pakistan is being diverted for projects in Baluchistan in view of the particular conditions of the Province.

About UNICEF role in urban areas of the Province he said that they were co-operating in implementation of extended programme of immunisation against six fatal diseases common among the children besides other projects of children care. But he said, since most of the population lived in villages the main emphasis was on the provision of facilities in the rural areas.

The leader of the UNICEF mission said that the mission would visit Afghan refugees camps in Baluchistan to assess requirements of Afghan children and determine how the UNICEF could help them.

He said that preliminary works in Baluchistan Integrated Areas Development Programme have already been taken in hand. The Baluchistan Government in collaboration with UNICEF has carried out survey in four districts of the Province, namely, Loralai, Kalat, Nasirabad and Gwadar and earmarked project areas where the programme will be launched in the first phase next year. Elected Councillors will be associated with the implementation of the programme.

CSO: 4220

PLIGHT OF INDIAN MINERS WORSENS

Islamabad THE MUSLIM in English 16 Apr 81 p 5

[Article by Sumanta Banerjee]

[Text]

DALLI (India): Although the name sounds similar, both in terms of culture and geographical distance, this tiny township in the heart of India is 2,000 kilometres away from the Indian capital of Delhi.

After years of slumber, it suddenly shot into prominence in February this year. About 10,000 iron ore miners here went on strike, threatening the supply of this essential raw material to India's 2.5 million-ton steel plant at Bhilai in the state of Madhya Pradesh. The plant, built with Soviet assistance, was located in Bhilai because of its proximity to the iron ore mines of Dalli, a few miles away.

The strike has been sparked off by the arrest of their leader, Shankar Guha Neogy, a trade unionist in his late thirties. He was detained under the National Security Act recently promulgated by Mrs Gandhi's Government. The Act provides for the detention of any person for an indefinite period without the right to appeal to courts, if he is suspected of acting in any manner "prejudicial to the maintenance of public order" — a broad term that can embrace a blackmarketeer as well as a political dissenter.

Mr Neogy for the last four years has been mobilising the miners of Dalli to demand better wages and improved living conditions. These attempts have stirred a hornet's nest, particularly from powerful vested interests.

But the situation in Dalli today is not an isolated case of deteriorating industrial relations. It symbolises the growing crisis in the complex relationship between India's mining sector and burgeoning steel plants; the clash between the tradition-bound tribal population of these areas and the entry of outside commercial interests, and the political conflict between the ruling Congress Party and Leftists over the control of the leadership of tribal workers.

Similar crises have broken out in the coal-mining belt of Bihar and West Bengal in East India. There, the Santhal and Munda tribesmen, working mainly as casual labourers in the mines, are demanding the ouster of non-tribal traders and demanding the establishment of a separate state of tribals only.

GOND COMMUNITY

In Chattisgarh, the tribals belong to the Gond community who ruled the area long before the Moghul conquest. It is also inhabited by two other tribes — the Halbs and Kawar. The area has very little irrigation facilities and the Green Revolution has by passed the small and poor peasants who plough their little plots of land in the traditional manner, and live at a subsistence level. Daily agricultural wages for landless labourers are as low as 30 U.S. cents.

The setting up of the steel plant at Bhilai in the late 1950s displaced many of these tribal peasants. Water resources that earlier used to irrigate their land were diverted to the new Tandula dam for use of the steel plant. Very few among these

displaced tribals could get jobs at the steel plant. Only 8 per cent of the plant's total of 47,000 employees are natives of Chattisgarh.

Bereft of technical skill needed for working in the steel plant, these tribesmen work at the iron ore mines, engaged in drilling, breaking of the ore and transporting them to the plant. But till recently, they were being denied the benefits enjoyed by regular employees of the steel plant.

They were recruited by contractors who paid them daily wages of less than $ 1. After a series of long-drawn-out struggles, under the leadership of Mr. Nayak, they have now been able to compel the contractors to pay them daily wages of about $ 3. They are now demanding the abolition of the contract system and their direct employment at the steel plant.

Similar demands are being voiced by contract and casual labourers all over India. There are about 50,000 casual workers employed through contractors by the country's six steel plants. The system suits both the plant management and the contractors. Since the work done is mainly manual and the management proposes to gradually mechanise the mining operation, it suits the management to sack the workers when they are no longer needed without the compensation normally due to regular workers in such circumstances. It also enables management to dismiss surplus labour when export requirements fall, without fulfilling any obligation to them.

BAILADILA MINES

In Bailadila mines, also in Madhya Pradesh, many workers were dismissed when export orders from Japan fell. The workers protested and were fired upon by the police. The contractors also earn fabulous profits by extracting cheap labour from these tribesmen without providing them the basic amenities required under regular terms of service.

Under pressure from trade unions, the Government enacted the Contract Labour Regulation and Abolition Act in 1970. The Act provides the absorption of contract workers into the regular staff under certain conditions. But the Act has left to management the decision when to take the workers as regular employees. As a result, the management of steel plants is in a dilemma.

That of the Bhilai steel plant is a case in point. It plans to expand steel production from 2.5 million tons to 4 million tons, making it necessary to mechanise the mining process to expedite ore extraction. In doing so, however, the plant would have to dismiss many casual workers. On the other hand, management is facing pressure from the strong trade union to postpone mechanisation and absorb the workers into its regular staff.

The tribal manual workers of Dalli, like their counterparts in other mining areas of India, are victims of a developmental programme initiated by bureaucracy seemingly oblivious of and indifferent to the adverse effects of modernisation and increased production on the poor workers. And judging from the repressive response by state authorities to the demands of the Dalli miners, it seems that the tribal workers have little chance of retaining whatever gains they have achieved so far.—*The Muslim Dispatch and Review Service*

CSO: 4220

NEW WAGE PACKAGE ANNOUNCEMENT EXPECTED SOON

Islamabad THE MUSLIM in English 17 Apr 81 p 1

[Article by M. Ziauddin]

[Text]

ISLAMABAD, April 16: The Government is reportedly contemplating a wage-price package to be announced in two stages with the increase in wages following price hikes of a number of essential commodities, including wheat, wheat flour, edible oil, petroleum and power rates.

While the increase in wages to the tune of over 30 per cent is expected to be announced along with the Federal Budget for the year 1981-82, price increases are likely to be announced within the next 30 days.

A decision in principle in respect to price increases is reported to have been taken. But this will, however, be implemented in its totality only after gauging public reaction to hikes in prices of wheat and wheat flour, which are expected to be announced sooner.

Following upward revision in the prices of wheat and wheat flour, these are expected to come up to the level of prices of these commodities now prevalent in India that is wheat Rs. 2.25 per kg and wheat flour Rs. 3.00 per kg. At present, the open market prices of these commodities in Pakistan are Rs. 1.66 per kg and Rs. 1.80 per kg, respectively.

The expected increase of over 30 per cent in the wages is likely to push rate of inflation by about 4.5 per cent, according to economic experts who estimate the wage earners in the country to be 15 per cent of the total population. However, in reality the rate of inflation, after the announcement of wage-price package, is estimated to increase by over 10 per cent as the prices of almost all commodities and services are certain to record sympathetic increases.

With the resource position not very happy, economic experts think the country would have to accelerate the rate of monetary expansion finance its new wage-price policy.

It is, however, not very clear, how the Government would be able to do so, as the IMF and World Bank both have made it plain that their help would be available to Pakistan on the condition that the government resisted the temptation to resort to excessive monetary expansion.

Experts say that wage increases would make the already expensive administration more expensive rendering the cost still more irrelevant to productivity and efficiency.

Independent economists believe that instead of fueling the already galloping inflation by implementing such a wage-price package, the Government should have evolved a wage-price freeze policy because with production stagnating, any further increase in the rate of inflation would be counter-productive.

Those who differ with this view point out to the fact that the imported inflation has circumvented all efforts of the Government aimed at keeping down the price line. As nearly 25 per cent of the national income is being generated through international trading, there is no way to control imported inflation, they argue.

CSO: 4220

GOVERNMENT CALLED ON TO CONTROL INFLATION, PROFITS

Islamabad THE MUSLIM in English 13 Apr 81 p 4

[Editorial: "Prices and Wages"]

[Text]

SOME points made by President Zia in his recent address to the councillors from Lahore Division in the Punjab capital and during his meetings with newsmen, deserve dispassionate evaluation. For instance, no one will disagree with him, when he says that under the present circumstances, little can be done to bring the price level down. Most inflation, as we noted in these columns the other day, is imported. The Government has not, as the President says, resources enough to buy dear and sell cheap. Nevertheless, there are areas in which profits can be reduced. The hardest-hit in these days of double-digit inflation has been the salaried class. There has been no increase worth the name in wages and salaries during the past four years while the purchasing power of the rupee has been constantly eroded. This waterlogging of the economy will take years, rather decades of concerted effort to cure provided remedial action starts right away and in real earnest. This Government, committed as it is to Islamisation, must begin by eliminating unearned and untaxed profits. There is virtually no limit on mercantile gains and the unregulated injection of the petro-rupee into the economy has sent goods and services soaring. Real estate prices and construction costs have risen much beyond the level defensible even under the current rate of inflation. This is certainly within the Government's means to control. The billions sent home every year by Pakistanis working abroad should not have been allowed to promote unabashed consumerism, most of it blatantly conspicuous. The result of all this has been the creation of two parallel economies, one operating for the benefit of those whose pockets are lined with sheafs and sheafs of petro-rupees and the other working to the detriment of those who have either elected to, or have been unable to, go abroad. The President is aware of the plight of the low-income groups. In this respect, mention may be made of India's latest Federal Budget which raised the income-tax exemption limit to Rs. 15,000. Keeping the value of our rupee in view, such a concession would mean an exemption limit of Rs. 18,000 in Pakistan. The Finance Ministry, we hope, will take note of this before formulating new budgetary proposals.

Generally, the price control apparatus has failed and it will require great ingenuity on the part of the managers of the economy to devise ways and means of curbing runaway profits which are earned by parasitic middlemen who are influential enough to escape all efforts to discipline them. A comparative study of the price levels existing in March this year and in the corresponding month last year will show that the prices of atta, maida, rawa, suji, desi ghee, butter, rice, gram, cattle-feed, lentils, rock salt, fish, milk, mutton, beef and most vegetables have all gone up from a minimum of 15 per cent to over 30 per cent in some cases. The only commodities whose prices fell during the period under review have been desi sugar, shakkar, gur and a few vegetables.

Successive governments have sought financial solutions for our chronic economic problems and each year, we have seen Peter being robbed to pay Paul and vice-versa in the next budget. Financial juggery will no longer do. Bureaucratic remedies (price committees and things like that) have been tried and found wanting. What is required is a complete structural change across the board. Market freeplay has had its way for too long and this mechanism cannot be mended even if all the taxes are withdrawn and all the controls lifted. Social justice cannot be assured through bureaucratic diktat. It is a matter of choice and we have to choose whether we want to give a chance to the dispossessed or wish to continue to pamper the privileged.

CSO: 4220

THREE PROBLEM AREAS IN PAK ECONOMY

Karachi DAWN in English 23 Apr 81 p 7

[Article by Sultan Ahmed]

[Text]

THERE are three problem areas in Pakistan's economy which receive a marginal mention in our economic debates and not the adequate attention they deserve.

Not to admit their full import does not mean they are not there in increasing dimension or the adverse impact is not thwarting our economic growth. They are not receiving sufficient attention, nor are they subjected to a systematic analysis for the reason that they are rather invisible and cannot be readily quantified even by the professionals.

The most important of the three factors is the flight of capital from the country. It has been a continuous process for long with only marginal fluctuation.

The flight of managerial talent, too, is a major factor that slows down the pace of our economic growth. Institutions like the nationalised banks are facing a host of problems, and are tempted to induct old bureaucrats into top positions in banks, simply because sufficiently experienced bankers are not available.

The third is the rapid drain of skilled workers which has been a lasting process now. It is hard to get skilled or even semi-skilled workers, and the mills are experiencing a tremendous turn-over of labour.

Each of these factors impedes economic growth in a developing country with scant financial resources and managerial skills like ours. Together their impact is tremendous and they lead to low investment, poor industrial growth and the squashing of five-year plans, as we have done with the fifth Five-Year Plan after earlier plans, except one, had fared no better.

The current fifth Five-Year Plan provides for a public sector investment of Rs. 14,820 crore and private sector outlay of Rs. 6,200 crore, or 29.5 per cent of the total plan out lay. But what has been the actual performance of the private sector? The total gross fixed investment rose from Rs. 2897.6 crore in 1977-78, the first year of the plan, to Rs 3918.6 crore last year at current prices; but the investment in the private manufacturing sector was Rs. 317.3 crore in the first year and it increased to only Rs. 361 crore last year. Adjusted for inflation the net real investment hardly increased from year to year.

Insufficient investment

The Federation of Chambers of Commerce and Industries has in a memorandum to the government acknowledged that the "actual private investment in large scale industry is lagging far behind the plan projections."

Where have all the private sector investible funds gone? Undoubtedly some of them went into the service sector and house building. Investment on them has nearly doubled in two years; but not all the surplus private capital has gone into this secondary sector. Some of it has certainly been going abroad.

Entrepreneurs come up with a plethora of reasons why sufficient investment is not taking place. They complain of multiplicity of taxes and high taxation, infrastructure constraints, like the shortage or non-availability of water, gas, power etc., and protest against the increasing credit squeeze and its high cost.

They are unhappy about the poor productivity of the workers, high wages and industrial indiscipline, and the lasting uneasiness they produce. They complain that neither the officials nor workers nor the general public have substantial regard for them despite the pioneering contribution they have made for the development of the country.

Some of them have tried to invest abroad, in countries as varied as the Gulf states and the U.S. But the kind of propositions they make is often not appealing to their partners in the Gulf or the other Middle Eastern states as the Sheikhs are often shrewd businessmen, and many of them have English advisers or consultants. Some partnerships failed while propositions for many more have been given up.

Those who seek to invest in the U.S. or Canada find they have to respect the laws and pay the taxes in full—an exercise with which they are not too familiar or happy. So they prefer to come home and look for easy routes to add to their wealth.

Secondly, the entrepreneurs find they do not command a great prestige or authority in those countries, as they do here on the basis of their family connections and their social standing. So they tend to come back.

But the youngsters who are educated abroad or exposed to the fun and frolic of Western life do love to stay abroad and take to much smaller business there than their families do at home. Even otherwise, many families believe that because of the political uncertainty in the country and sudden economic policy shifts they ought to have a strong financial foothold abroad. So, whether that foothold takes the shape of an industrial venture, commercial establishment or cash deposit in a Swiss or British bank it is there for many entrepreneurs.

The rush abroad

Our investors also complain that foreign capital, or Pakistani capital coming back home under foreign cover enjoys several privileges in Pakistan which the straight Pakistani capital does not enjoy. So some persons are taking the capital out and bringing it back in the name of some persons in the Gulf or the Middle East assured that such investment would never be nationalised.

They ask why Pakistan is allowing foreigners to buy vast areas of land here for house building when in their own countries Pakistanis can't buy an inch of land in their own name or set up an industry or commercial establishment direct. They resent inequity of the preeminence of such foreign capital in their own country as well as in Pakistan, while Pakistani capital is at a disadvantage at both the places.

An additional new complaint of the rich in Pakistan is the need to pay zakat on their bank deposits. Pakistani banks are losing to foreign banks now as British, Danish and many other banks are offering 16 to 18 per cent interest on deposits. So many Pakistanis with surplus funds are tempted to deposit their money abroad, earn high interest in foreign exchange, and avoid paying 25 per cent of the interest earnings as zakat if the interest rate, for example, is ten per cent, and then there are taxes.

With a million Pakistanis working abroad and ready to exchange their foreign currency earnings for rupees, they have set up commercial houses abroad to handle their large imports and exports, foreign exchange is not a problem for rich Pakistanis who need it abroad now in any quantity.

Of course, if we had constitutional stability, political normality, stable economic policies, and greater understanding between the officials and entrepreneurs, and a better co-operative relationship between investors and workers the situation might have been vastly different. If in life it is the survival of the fittest, in commerce it is often the

survival of the fastest. Money must beget money for them.

The managerial personnel have been leaving the country both for personal and professional reasons. Those who worked in the public sector, following the large scale nationalisation of industries in 1972 and subsequently, resented the increasing bureaucratic domination in their spheres the need to rush to Islamabad too often, offer too many explanations, write too many memoranda and seek too many sanctions even for small things.

Many managers could not accept the socio-cultural styles that came into vogue in the 1970s and more so after 1977, and the swift changes they have to accept from time to time. Above all, they find the cost of living shooting up steadily, abridging their life style and eroding their savings. And lately many have been maintaining they are seeking employment abroad for the sake of getting quality education for their children which is not possible if they stayed home.

They contend the old luxuries of having cheap and reliable servants, low rents for houses and cheap, good food have gone. In the prevailing price level it is financially advisable to work abroad, they argue.

This socio-economic philosophy has sent about 2,000 persons abroad, from the banking sector during the 1970s, according to the Pakistan Banking Council estimates.

The skilled or semi-skilled workers go abroad because they can find better employment there. Large wages mean larger savings and a better life for them and their families, and a house of their own and other comforts when they return home.

The departure of these people does not necessarily represent a rejection of the country in as much as other countries are now able to offer far more to them and give the more enterprising among them freedom of movement around the world and enjoying the pleasure they like in the country they work or those to which they can go on a holiday.

What are we going to do about them? Some, of course, will argue that since they are sending us two billion dollars through the banking channel and more through other sources, in addition to a variety of consumer durables, like cars, air-conditioners and VCRs, we should encourage more of them to leave and send us more foreign exchange.

But the fact is that like other countries which depended on the emigrants' earnings and then came to grief, like the Lebanon Turkey, Yugoslavia and Greece, we have come to a critical situation in our economic life. When our imports are more than double of the exports, the trade deficit is more than the total exports earnings and 50 per cent more than the total official remittances of the emigrants, and the country' deficit in balance of payments is now as large as the home remittances of the emigrants the alarm signals should really be out. We can ignore them only at our peril.

A hard look

When the home remittances have reached the point where it is beginning to be counter-productive in the ultimate national context, should we not take a hard look at the basic facts of our economic life? Let us decide which can make the country richer: making our total capital becoming productive at home, and our managers and skilled workers contributing to it enthusiastically, or enabling everyone to leave the country and send us some more money?

The present policy makes some individuals rich and some more better off than they would have been otherwise but the country is not becoming rich and increasing its inherent productive capacity or generating renewable new wealth. If the home remittances help to reduce our balance of payments deficit that is not much to sing about for ever. If they are meeting some of our economic demands at home they are also creating some new demands and distorting the socio-economic pattern.

Let us not ignore the long term interests of the country for short term gains, forego the opportunity to add to the renewable resources of the country for the sake of immediate cash gains that are promptly spent on current consumption.

We should now decide on the measures, and create the economic and social climate in which we can make the best use of our capital, managerial talent and skilled labour instead of letting other countries have the best of them at a price. Pakistan will ultimately be as rich as we make it, by strengthening and enlarging its industrial and agricultural bases, and not through the home remittances of some of us which may help inflate the feeble foreign exchange reserves for a while and then vanish, leaving our economic mainsprings grossly under-developed

CSO: 4220

COTTON, RICE SUPPORT PRICES GIVEN

Karachi DAWN in English 24 Apr 81 pp 1, 6

[Text] Rawalpindi, April 23--The Federal Cabinet which met here today under the chairmanship of President General Mohammad Zia-ul-Haq, reviewed the support price structure of rice and cotton crops for the next season.

Taking into account the increased cost of production it decided that for the coming season the following support prices shall operate for rice and cotton:

Rice (Rs per 40 kgs)		Cotton (Rs. per 40 kgs)	
Irri paddy	45	Desi	166
Better quality of Irri Paddy	45 plus 4	BSI-AC 134 MT	170
		B-557 and 149 F	178
		Sarmast Qalandari MS-39, MS-40	192

The Cabinet noted with satisfaction that the annual average rate of growth in agricultural sector has been 4.2 percent since 1977 as against 1.2 percent during the period 1970-1977.

The Cabinet decided to allow complete exemption from import duty to rice drying units till such time that the local industry is able to manufacture these plants.

The Cabinet reviewed agricultural credit scheme and noted that as against approximately Rs 400 million allocated for this purpose in the earlier period of last decade by the Agricultural Development Bank, and out of the current year allocation of Rs 1,000 million till the end of February, Rs 700 million have been advanced to farmers. In addition about Rs 600 million have been advanced by the commercial banks for the purpose.

The Chairman of Agricultural Development Bank, who was specially invited to attend the meeting, apprised the Cabinet of measures taken by his Bank and also other financial institutions to bring about structural changes in agricultural credit schemes. As a result of these changes brought about progressively, the credit ceilings have now been fixed at Rs 1,000 million which may grow up in the next year to Rs 1,500 million. Similarly credit allocation from other commercial banks would also register a substantial rise.

Sugar Policy

The Cabinet decided that the sugar policy for the next season shall be submitted to it some time in September for its consideration.

The Cabinet noted and appreciated the performance of the Rice Export Corporation which is expected to export rice worth about US Dollars 500 million (Rs 5,000 million) by the end of the current financial year. The Cabinet also appreciated the efforts made by the Cotton Export Corporation which was expected to achieve its budget of US 481 million in export earnings of cotton and was expected to exceed the target by earning more than US dollars 500 million (Rs 5,000 million).

The Cabinet desired that methods of working of both the Corporations, particularly for the purchase of these commodities and making payments to the farmers, should be further streamlined. Both the corporations were also directed to exercise better quality control.

Performance

While discussing the performance of agricultural sector, the President directed that Chambers of Agriculture should be established in all the provinces with a provincial headquarters and a Federation of Agriculture Chamber at Islamabad. The Cabinet also decided to encourage agricultural cooperatives in order to streamline the existing systems of agricultural credits inputs and marketing facilities. This would also lead towards self-reliance among farming communities.

The Cabinet reviewed the present power situation in Karachi and approved certain administrative measures which pertain to staggering of load and economy in use of electricity by various consumers. In order to meet the current situation, it decided that the industrial and commercial units which have their own generators should use them for this purpose. Surcharge on the operation of these generators should be removed immediately and till such time the situation returns to normal.

The Cabinet meeting was attended by the four provincial Governors and all the Federal Ministers and Ministers of State present in the capital.--APP

CSO: 4220

EXPORT RICE TONNAGE FOR YEAR DROPS

Karachi DAWN in English 23 Apr 81 p 6

[Text] Pakistan has exported 9,39,000 tons of rice valued at 420.14 million dollars during the current fiscal year, the Chairman, Rice Export Corporation of Pakistan, said in an interview.

He said total shipment of rice during the current fiscal year would stand about 11.50.000 tons worth about 500 million dollars.

Fifty countries were importing Pakistani rice.

The Chairman said that the export figures during the outgoing financial year were 10,86,000 tons of rice worth 422 million dollars against 10.09,000 tons worth 339 million dollars in 1978-79.

The Government fixed the export target of 12.25,000 tons worth 481 million dollars during the current year.

Rice production had fallen during the two consecutive years and as such nearly 10 lakh tons of rice was likely to be procured during this year. The Government had fixed the procurement target of 13 lakh tons 3.50,000 tons Basmati and as much Irri from Punjab and six lakh tons from Sind. To date 3.14,000 tons of Basmati and 63,300 tons of Irri had been procured from the Punjab. Out of six lakh tons from Sind, 5,62,000 tons had already been procured. Procurement of more rice from Sind would be made during the next three weeks. As such, he said, there was a shortfall of three lakh tons in the procurement of rice from the Punjab. Sind will fulfill its quota.

Giving comparative figures, the Chairman said that in the outgoing fiscal year 11,360,000 tons of rice was procured against the procurement target of 12,50,000 tons fixed by the Government. During 1978-79, 12,28,000 tons of rice was procured.-APP

CSO: 4220

EXPORTERS OF CIGARETTES TO AFGHANISTAN WARNED

Karachi BUSINESS RECORDER in English 13 Apr 81 p 1

[Text]

Cigarette manufacturers have been severely warned for violating the rules (Central Excise Rules, 1944) in respect of cigarette exports from Pakistan to Afghanistan.

The cigarette manufacturers are reportedly avoiding the inscription of "Afghan Government Monopoly" on the packs which is stated to be an offence under the rules.

The Collectorate of Central Excise and Land Customs has issued an order asking the cigarette manufacturers to stick to these rules accordingly.

It has been reported that the cigarette manufacturers exporting cigarettes to Afghanistan are not observing the formalities laid-down in Central Excise Rules 1944 and Orders regarding the printing of inscription "Afghan Government Monopoly." This is a serious offence punishable under the Central Excise Rules.

It has, therefore been ordered that each packet of cigarettes, carton or package for export must bear prominently and indelibly the words "For Export-Afghan Government Monopoly." All those packages, cartons, packets meant for export to Afghanistan and not bearing the above words shall not be allowed export. In case of default, all such cigarettes shall be liable to seizure or confiscation under the relevent Rules.

Till such time that the printing of packages are arranged, the above expression may be stamped on cartons and outer packages. The manufacturers may be directed to arrange for printing of the cartons and packages within 30 days, the order said.

CSO: 4220

SMUGGLED GOODS REPORTED COMMON IN LAHORE SHOPS

Lahore THE PAKISTAN TIMES in English 12 Apr 81 p 3

[Text]

City's posh shopping centres are bristling with an unprecedented inflow of smuggled goods.

The smuggling of electronic gadgets, cosmetics, toys and simple consumer items has assumed an alarming proportion hitherto unknown to the country and the people. The traders are reaping rich harvests of profits in the benign absence of any check or control. It appears now smuggling is either considered a pardonable offence or the officials of the concerned departments have their fingers embroiled in the jack-pot of black money.

Anyone visiting Liberty Market, the Mall or other shopping centres would be baffled by the magnitude of smuggling. Foreigners sejourning through Lahore have wondered whether ours is a free trade zone. Traders are no more afraid of displaying the smuggled goods. In point of fact, those who have indulged in smuggled goods have made millions thereby exhorting the honest minority amongst them to do likewise.

These traders pay handsome money to the Cutoms or the Excise officials, whose dragnet ropes everything in except the black sheep. The Hall Road shopping centre is bursting at its seams with smuggled electronic stuff. It is here that one can just about buy everything in the way of electronics.

Very expensive stereo-decks are on sale here along with a whole range of musical instruments. Incidentally, these items are banned under the law—but only in theory. In Liberty Market alone, quite a few shops have recently sprung up with very expensive imported musical instruments.

The craze for the brand-new and the ostentatious living is now riding roughshod over our indigenous industry and our nouveaux riches are doing more than adding fuel to the fire.

CSO: 4220

THIRTY PERCENT INCREASE IN INFLATION RATE REPORTED

Islamabad THE MUSLIM in English 8 Apr 81 p 1

[Article by Jawaid Bokhari]

[Excerpt]

KARACHI, April 7. Inflationary rate has been estimated at 28 to 30 per cent in 1978-79 and 30 per cent in 1979-80 by the Federation of Pakistan Chambers of Commerce and Industry.

Quoting official statistics, the FPCCI said in a pre-budget representation to the Ministry of Finance that general consumer price index moved up by 28 points during 1978-79 and by 31 points the following year. Similarly, the wholesale price index moved by 30 and 31 points respectively for the two consecutive years.

The premier trade organisation of the country has pointed out that erosion of the purchasing power of the rupee has been a source of concern both to the consumer and the businessman alike. The former is deeply affected by the movement of consumer prices and the latter has to look at the real value of the rupee for replacement and modernisation of his assets.

The Federation has noted that inflationary situation continued "unabated" and prices of all commodities continued to "move upwards" during 1979-80.

According to FPCCI, the inflationary situation was purely due to a high rate of monetary expansion around 20 per cent against GNP growth of 6 per cent. About 60 per cent of the total monetary expansion amounting to Rs 12.7 billion has been in the form deficit financing and requirements of the state corporations.

Pakistan has also imported inflation following an increase of 24 per cent in the prices of imports which constitute 20 per cent of the gross domestic product.

Finally, by increasing the prices of consumer items as well as inputs for industry, government has contributed to various cost-push factors that have tended to fuel the inflationary fires.

Within two years, the government has raised the cement prices by 100 per cent, electricity charges by 36 per cent, sugar price by 11.6 per cent, vegetable by 10.7 per cent. Petrol prices were raised by 58 per cent during 1979-80 against an increase of 13.5 per cent in the previous year.

In the past two years, there was an abound increase in prices of essential items.

Prices of wheat went up by 32 per cent, beef 24 per cent, mutton 28.3 per cent, pulse 46 per cent, gur 134 per cent, cigarettes 44.7 per cent, kerosine oil 145 per cent, long cloth 26.7 per cent, shoes by 55 per cent, and soap 31 per cent.

Stressing the need for combating the "high rate of inflation" which disrupts the national economy and creates "widespread social repercussions" the Federation has urged the government to take remedial measures. The FPCCI has suggested reduction in government expenditure and cut in taxes to encourage national output to combat inflation.

CSO: 4220

STEEL MILL COST OVERRUN REPORTED

Islamabad THE MUSLIM in English 14 Apr 81 pp 1, 8

[Article by M. Ziauddin]

[Text]

ISLAMABAD, April 13: Pakistan Steel Mills, scheduled for completion by 1984 at the total original cost of 1,300 million dollars, is reported to have become dearer by another 1,300 million dollars with the builders still struggling to meet the thrice postponed deadline to complete the first phase of the two-phase project.

The original estimates were revised upward to 1,935 million dollars in 1978 by which time only 12 per cent of the work had been completed on the project which was taken in hand in December 1973.

According to economic experts, while it would be extremely difficult for the government to mobilise the foreign exchange component of the estimated extra 600 million dollars, it would be harder still to line up the additional rupee requirements as shrinking domestic resources are already under heavy pressure from expanding developmental and non-developmental outlays earmarked for top priority projects.

The first phase of the project, which was scheduled to be completed in the last quarter of this year, is likely to be delayed by another 12 months as the firing of the first blast furnace expected to take place in September, 1980 has been thrice postponed because of a reported design fault in the seawater pumping house.

The second deadline for firing the blast furnace was December, 1980. But it could not take place because, as the officials explained, the anchor block on which the seawater pumping house was located got destabilised due to heavy rains in Karachi the previous month.

By January this year when, as the then Federal Minister of Production stated, 72 per cent of the work on the Mills had been completed some 1,442 million dollars were already spent. And in February, it was officially announced that efforts were being made to overcome the "sub-soil conditions which have hampered" the functioning of the seawater pumping house and that the blast furnance would be fired sometime in April this year.

With April already halfway through, there still is no sign of any progress on the blast furnace front. Meanwhile H.N. Akhtar has replaced Abid Hussain as the Chairman of Pakistan Steel Mills. Mr. Akhtar was at one time Director Finance of PSM but had to leave his post because of his reported differences with the gentleman whom he has now replaced.

Experts have identified three major factors for the inordinate delay in the completion of the Mills. First, a section of officials under the influence of the World Bank and other Western agencies, which do not want Pakistan to possess a steel mill, are

reportedly putting up one hurdle after another in the way of smooth progress of work on the Mills; secondly, subcontracting has allegedly fallen prey to corrupt practices encouraging inefficiency and promoting graft and lastly the runway inflation has rendered it extremely difficult to adhere to budgeted estimates.

According to these experts the biggest hurdle is the opposition to the steel mills from inside the government. While those who are for acquiring steel manufacturing capability at the earliest have so far been successful in deterring themselves, the opposition lobby is reported to have mounted a concerted campaign lately to play up the "disadvantages" of having mills.

This lobby is reported to have been trying to convince the top decision makers that Pakistan did not possess the managerial and technical ability to run the Mills after its completion. Some have been heard suggesting that the management of the mills after its completion would have to be handed over to a consortium of Western companies for its smooth running which would mean reduced benefits for the country. While this suggestion has been described by experts as impractical, they however, fear that on commissioning, the Mills would face an acute shortage of personnel with managerial and technical skills because of continuous outflow of those receiving on-job training at the PSM to Middle East.

The opposition lobby is also reportedly spotlighting the escalating cost of Mills to influence the decision-makers to opt for shelving the entire scheme. But, according to estimates if the work on Mills is halted for one reason or another at this stage, the price of maintaining the unfinished structure would be much greater.

Those who are opposed to the Mills are reported to have gained confidence lately because of the new found interest of multinational aid agencies in Pakistan and are allegedly trying to link up aid from these agencies to the condition that Pakistan reduced its emphasis on acquiring steel manufacturing capability. The recent, revival of mini-Steel Mill Scheme is also said to be a part of an overall plan to dilute national efforts now being expanded for completing the Pakistan Steel Mills.

CSO: 4220

POLICE EXPRESS LOW OPINION OF NEWSMEN

Islamabad THE MUSLIM in English 8 Apr 81 p 3

[Text]

RAWALPINDI, April 7: "I damn care for the Press" was the answer of a police cop when he was approached by a Pressman with a plea to stop abusing a van driver for nothing.

A Head Constable today stopped a van, No. RDI-825, and, dragging the driver from the steering, started abusing him.

He meekly asked the cop as to why he was doing so. Upon this, the cop slapped him in the face, shouting how he dare open his mouth before a police officer.

Attracted by the noise, a PPI staffer who was travelling by the same van, got down and implored the cop to behave in keeping with his professional dignity.

He again shouted: "who are you and how did you venture to meddle in 'Kaar-i-Sarkar' (State affairs)." When he introduced himself as a newsman, the cop said, "I damn care for the Press. Pressmen are gangsters . . . . ."

Thereafter, he asked the driver for registration book and other documents which were produced and found in order. A thorough checkup of the vehicle was also made which, too, proved satisfactory.

The passengers' number was also within the prescribed limit.

The cop seized the registration book and returned the rest, saying return of the registration book would cost a fifty-rupee note.

When the correspondent asked him to challan the driver if he had committed any violation, the cop replied 'Challan is the last resort'.

This correspondent approached the traffic police high-ups but none except a Traffic Inspector was present. When he was told the whole affair, the Inspector said, "The cop did what he should have done".

When he was informed of the cop's misbehaviour and corrupt attitude, the traffic inspector said, "It's no matter."

"Then, what should the poor driver do?" the Inspector was asked.

He replied: "He should better approach the cop and settle his affairs on the usual terms."—PPI

CSO: 4220

CARPET TRAINING PROJECT REPORTED 'IN SHAMBLES'

Islamabad THE MUSLIM in English 8 Apr 81 p 1

[Article by Saeed Qureshi]

[Excerpt]

ISLAMABAD, April 7: About 100 carpet training centres, set up in Punjab by the Small Industries Corporation between 1973 and 1975, are reported to be in a shambles.

While these centres, costing about Rs.1.50 lakh per unit, have regularly been recieving government grant, neither the envisaged objectives of training in carpet weaving nor their largescale output has ever been attained.

Informed sources disclosed against an approved strength of 20 trainees for each centre only two or three enrol only to leave by mid-day as most of the looms have either been dismantled or broken down with the passage of time. He said only one or two looms are in operational condition at each centre. Out of 29 such centres in Rawalpindi Division alone, those existing at Murree, Domeli, Hazro, Chua Saiden Shah, Jand and Dina have been locked up while the rest could be closed down any time. The buildings not repaired since the inception, are said to be in a state of utter decay and could collapse any moment.

Surprisingly enough, the source disclosed, nobody has cared to look into the functioning of the centres and full grant for the sanctioned staff members is received every month although many have left already and very few turn up to work at these centres.

CSO: 4220

BRIEFS

AFGHAN CARPET-WEAVING CENTERS--April 11--A proposal to open a dozen more carpet-weaving centres for Afghan refugees in NWFP was under serious consideration of the Government. The scheme, prepared by the Small Industries Development Board, Peshawar, is understood to have been submitted to the Government today. The Board sources told the Pakistan Times that the scheme included the opening of eight carpet-weaving training centres, two wood furniture centres, and two embroidery centres. [Text] [Lahore THE PAKISTAN TIMES in English 12 Apr 81 p 5]

ROMANIAN REFINERY CONTRACT--Bucharest, April 9--The proceedings of the seventh session of the joint Romanian-Pakistani Governmental Commission of economic, scientific and technical co-operation concluded here yesterday. The Chairmen of the Commission, Mr Mihail Florescu, Minister Secretary of State at the National Council for Science and Technology, and Mr Ghulam Ishaq Khan, Minister of Finance and Co-ordination, signed the protocol of the session. The document stipulates measures conducive to the expansion and diversification of co-operation in various fields of mutual interest, particularly in machine building, the oil and cement industries, electronics and agriculture, as well as to the intensification of commercial exchanges. A contract was also signed regarding the building of a lubricants refinery in Karachi between the "industrial export-import" foreign trade enterprise of Romania and "Perac," a State-run company of Pakistan. Attending the signing ceremony was Mr Cornel Burtica, Romanian Deputy Prime Minister of Foreign Trade and International Economic Co-operation.--APP [Text] [Lahore THE PAKISTAN TIMES in English 10 Apr 81 p 4]

MINERAL DISCOVERIES IN BALUCHISTAN--Quetta, April 23--The Geological Survey of Pakistan has made some major mineral discoveries in Baluchistan. These discoveries included flourite in Kalat, zinc and lead in Khudzar and pink granite in Lasbela districts. Other mineral deposits included copper at three more places in Chagai district and molybdenum in the same district. According to GSP sources, the extent of these deposits is being determined.--APP [Text] [Karachi DAWN in English 24 Apr 81 p 1]

CSO: 4220

FINANCIAL RESTRUCTURING FOLLOWS DISAPPEARANCE OF INDUSTRIALIST

Kuala Lumpur BUSINESS TIMES in English 20 Mar 81 p 6

[Article by Jeremy Toye in Manila]

[Excerpt]

THE Philippines government, hit by a financial scandal and a stock market slump, is seeking ways to improve the country's investment climate against the background of continuing economic uncertainty.

In a bid to reassure business institutions reeled by the disappearance in January of a Filipino-Chinese businessman who left behind some 650 million pesos (US$83 million) in debts, the central bank is setting up a five-billion-peso (US$650 million) assistance fund from which they can borrow.

Newly-appointed central bank governor Jaime Laya told a group of executives of financial and manufacturing institutions last week that developments connected with the flight of Mr Dewey Dee "had dramatically revealed weaknesses in the financial structure of Philippine business enterprises."

The Dee affair, still under investigation, caused runs on two banks which had advanced substantial funds to him and his companies.

And investors switched their money into stable areas such as bank deposits, causing a slump in the market in commercial paper, the short-term notes or drafts issued by corporations with backing of bank credit lines.

The central bank stepped in to support some of the 20 financial institutions hit directly by the activities of Mr Dee, who is reported to be in Haiti.

Estimates of the amount it has pumped into such enterprises range from 1.2 billion to two billion pesos (US$150 to US$260 million), but interest rates on the 60-day loans ranged from an initial 24 per cent to 36 per cent.

Mr Laya said such interest rates were punitive, a reminder to those aided that they should put their houses in order.

The longer-term assistance fund, with a target of five billion pesos (US$650 million), will be available to companies that present financial restructuring programmes acceptable to government financial institutions.

Cash for the fund will come from taxes to the tune of one billion pesos (US$130 million), with another one billion pesos a year from the sale of central bank certificates of indebtedness, and about US$500 million from the bank's annual borrowings on the international market.

To qualify for assistance from the fund, companies might have to sell off some assets, convert short-term debt to long-term, or issue preferred shares and stock options, Mr Laya said.

"The aim is to restructure companies which should have a secondary effect on financial institutions," the bank governor told reporters.

The interest to be charged has not been disclosed but presumably will not be as onerous as for the short-term rescue funds.

Most of the executives at last week's meeting with Mr Laya expressed support for the fund, although some would prefer an assistance programme not based on further borrowing by already overstretched companies.

The executives blamed the government's tight-money policy, depressed market conditions and a general downward trend in the economy for their recent troubles.

The same things have been blamed for the stock exchange slump, together with the retrenchment after a 18-year gap of a 10 per cent capital gains tax on stock market profits.

Concerned officials such as the newly-elected president of the Manila Stock Exchange, Mr Ignacio Gimenez, say it is not the size of the tax that worries investors but the system of reporting to the government.

Mr Gimenez says that Finance Minister Cesar Virata has agreed to ease reporting requirements. Investors were clearly worried about having to open up their portfolios to the prying eyes of the Bureau of Internal Revenue.

The Finance Minister has also discussed the possibility of investing funds from government institutions in the stock market.

Mr Gimenez says there were other factors which contributed to the slack period, such as the drop in world metal prices and disappointing results by domestic oil companies. But he says these have already been discounted by low prices.

Pointing to 10-year cyclical developments which he says make a boom overdue, he reckons that recovery should start by mid-year and be well under way by the end of 1981. "When it moves, we're going to be in for a nice little boom," he says.

BUSINESSMEN SEEK CHANGES IN ASEAN RULES

Kuala Lumpur BUSINESS TIMES in English 23 Mar 81 p 1

[Article by Ho Sook Han]

[Text]

PHILIPPINE businessmen want changes in the guidelines of the Asian industrial complementation programme as well as added facilities under Asean's preferential trading arrangements.

In separate letters to the government, Philippine's entrepreneurs called for less limitations and more incentives for complementation projects. They also proposed a non-tariff measure to stimulate intra-Asean trading as well as a specific policy for products of the complementation.

One of the businessmen, Mr Dante G. Santos who is also chairman of the Philippine Asean Council proposed that a complementation project should be given Asean status if three countries were supporting it. At present, the minimum required to qualify is support from four out of five countries.

The "consensus of four" principle was approved in January this year at the Kuala Lumpur meeting of the Asean Committee on Industry and Minerals and Energy. It was in recognition of the difficulty of getting all five Asean members to participate in every complementation project. (The urea plants being put up as Asean projects in Indonesia and Malaysia have only nominal Singapore participation — just one per cent of the equity — in order to comply with Japanese insistence on Asean-wide support to qualify for its soft loans).

Mr Santos contended that a consensus of three should be enough "since there is every reason to believe that in most cases Singapore is likely to be a participant in a (complementation) package."

The businessman also considered that the period of protection against competition enjoyed by a complementation project under the arrangements was too short.

The rule gives a project a virtual monopoly for two years on the manufacture of an existing product or four years for new products assigned to it in a complementation package.

The period, Mr Santos contended, does not take into account the time lag from approval of a project to start of commercial production, "much less the gestation period."

Another problem arising from the present arrangement is prohibition on the setting up or expansion of production facilities in industries in competition with a complementation project.

Mr Santos said that no restriction should be placed on production of similar products outside of a complementation project "for so long as such production facilities are not entitled to the preferential tariff treatment."

The businessman also favoured eliminating altogether the intra-Asean tariff for complementation products. They prefer a 10-20 per cent uniform tariff rate for imports of similar items from Asean countries not participating in the projects as well as non-Asean countries.

The trade preferences negotiating group of the Asean Committee on Trade and Tourism has adopted a recommendation for at least a 50 per cent tariff cut for items in a complementation package which will automatically come under the coverage of the Asean preferential trading arrangements (PTA).

Malaysia in the meantime has offered tariff cuts of 20 and 25 per cent for all existing products covered by the PTA. These measures will be gazetted on April 1. It intends to ask for deeper cuts in tariffs — up to 30 or 35 per cent.

In addition to the elimination of tariffs, Philippine's businessmen also want products of complementation projects to be treated as "local content" in industries required to undertake "progressive manufacture" in member countries.

Another businessman has suggested the elimination within the region of marginal deposits of letters of credit for the importation of Asean goods. Mr Ricardo Guevara who is the chairman of the working group on industrial complementation of the Asean Chambers of Commerce and Industry believes this would be an effective non-tariff measure to accelerate the pace of intra-Asean trade.

Marginal deposits may be imposed by a country's banking system to curb imports. While the rates would vary from one Asean country to another, they could be quite substantial Mr Guevara said. As a safeguard against non-Asean countries taking advantage of this concession, Mr Guevara said the local content requirement, as laid down in the context of tariff preferences, should be strictly enforced.

A proposal was also made to limit to PTA tariff concession on an item to a period of three or four years only.

CSO: 4220

ISLAM, THE BACKGROUND OF REVOLUTION IN PHILIPPINES

Tehran TIMES in English 13 Apr 81 p 3

[Text] Generally, the students come from lower and poor classes. In Cotabato, there are 400 boys and girls in a school, where only elementary religious books are available. The students are all poor and receive only 2.5 pesos a month. All of them love Imam Khomeini. Sultan Koudrat has 250 girls and boy students with the girls mostly having the Islamic veil. They are financially not well-off.

They receive only 3 pesos a month. In Zamboanga, there are totally 450 students in a government school. The school is governed by the Islamic Conference. The existing books are elementary and Egyptian. The school has no library for practical purposes. But it is a big and newly constructed building housing Egyptian missionaries, most of whom are the opponents of the Islamic revolution for Iran and Imam Khomeini.

In the jungles around Cotabato, a private school has 200 boy and girl students. It is built in the center of a hamlet having a population of 700.

Most girls wear the Islamic cover and boys are diligent, ascetic and poor. They receive 3 pesos per month. Their living houses are made of thatches. They are most interested in their customs and most of them are the supporters of the Revolution of Iran and Imam Khomeini.

Martial Law

In the Holou Islamic school there are 550 students with the girl students wearing the Islamic cover. We do not have information on the salary of students and teachers for we did not have permission to visit the city. Most of the time there is martial law in the city and the above information was received through letter. The school prays for the life of Imam Khomeini and Banisadr once a week. At present, the Iranian students in the Philippines offer Arabic books, the Qoran and Al Shahid magazine to the schools.

Just as it was mentioned above, the schools supported by the government have a better condition than the private schools. Although not having this advantage the private schools have preserved their independence. They work freely and investigate issues in a more comfortable manner.

In cities where people are interested in learning Arabic and the Qoran, the government has opened classes in universities, in Notradinam University, Cotabato, which

is American, there are 12 volumes of Islamic literature. The units are: The life of Hazrat Mohammad, Arabic alphabet, Islamic history, life of Islamic leaders. All the students have to pass these units. It is definite that the teaching of Islamic literature in the American college will have no result but going against Islam and Moslems because the books have been written by Americans.

The non-student people of Southern Philippines are of the view that the only solution lies in the learning of Islamic lessons. The students and intellects are very much inspired by the Islamic Revolution of Iran. They are in close contact with Iranian students who lately and after the revolution increased their activity in enlightening the minds of Moslems and transferring the Islamic revolution of Iran to Southern Philippines.

They have scented the smell of Islam and have been incited to move and stir.

They are not sitting idle. They have formed regional Islamic societies and libraries to try to rejuvenate Islam in their land. This has been especially taken up by a group called "Sobhanol Moslamin" in Maravi city. Even considering the exaggeration by the group, the claimed 30,000 membership is quite eye-catching. They have been able to muster 2,000 Moslem youths by holding an Islamic camp four months ago. With the various cultural programs the group has instilled in the minds of the members the Islamic thoughts. The camp which lasted ten days has been instrumental in leaving a positive reaction among the Moslems of Southern Philippines. The group held exhibitions and composed Islamic hymns and songs to show the characteristics of the Islamic culture. Lately they have composed a version of the hymn "Khomein-e-Imam" in their native language. They sing the hymn most days in mosques. Part of the hymn runs like this:

We are Moslems, if the world becomes materialist we shall not

If the world shuns religion, we shall not

Death to alcohol, death to gamble, death to adultery

We shall always be on the path of faith.

The group also takes along youngsters of age between 10 and 15 to the big mosque of the city and imparts military training. They train in military disciplines such as: forward march, chest crawling, frog jumps and salute inspired by recitals of Islamic hymns.

Scattered moves started lately by Moslem youths in Mindanao have sent shivers in the hearts of colonialists, making them desperate. But the Filipino government wishing to make Islamic countries believe that the Moslems are having religious freedom has lately diminished restrictions in this regard. These groups can institute a vast cultural revolution if they unite under one line and possess a right leadership cadre.

Discord

One of the reasons for the lack of success in the liberation movement of Mindanao is the discord created among the Moslems. The discord arises because of the two

points: a) Differences in the leadership cadre of the liberation movement. b) Differences of language among cities and regional rural areas.

a) Differences in the leadership cadre: At present the biggest issue threatening the revolution is these differences, particularly those between the two main leaders, Nourmisavari and Hashem Salamat. Nourmisavari is the main leader in Mindanao. His age is 33 and he is born in Tavitavi, one of the islands in Soulo. After graduation in political science from VB university, he increased his political activity against President Marcos because of the latter's power-seeking policies. Before this, he founded the Islamic students society which voiced protest against the Filipino government and he is remembered as the initiator of the first demonstrations in the university.

After his studies, he collects 90 students and takes them to the Malaysian city of Saba where he trains them in guerilla warfare--with the intention of armed rebellion against the existing government.

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May 13, 1981